FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 050 14 March 1986

ARGENTINA

Group of Six Sends Message to Reagan, Gorbachev B 1
Caputo on Peace Force for Central America B 1
Air Force Denies Purchase of Brazilian Planes B 1
Government Issues Communique on Lopez' Arrest B 2
CGT Issues Communique on 25 March Stoppage B 2

BOLIVIA

Reportage on COB Demonstration, Reaction C 1
COB Leader on Goals C 1
Interior Minister's Statement C 1
Violence Reported C 3
COB Leader Assesses Results C 3

BRAZIL

Libyan Mission Interested in Arms Purchases D 1
[FOLHA DE SAO PAULO 11 Mar]

CHILE

Interior Minister Garcia Commemorates Constitution E 1
Opposition Scores Garcia Speech E 8
Saldivar Comments E 9
Officials Praise Speech E 10
U.S. Ambassador 'Unaware' of Condemnation E 11
Political Activities Information Ban Lifted E 11

COLOMBIA

Foreign Minister Responds to U.S. Criticism F 1
No Official Protest F 1
Ramirez Ocampo Defends Efforts in Contadora F 1
[EL TIEMPO 8 Mar]
Senator Galan Withdraws Presidential Candidacy F 2

ECUADOR

Febres Cordero Accepts Pineiros' Resignation G 1
Vargas Seizes Quito Base; Crisis Renewed G 1
Vargas Supporters Claim Seizure G 1
Vargas Calls for Support G 1
Vows 'To Fight Tyrant' G 2
Vargas on 'War Footing' G 2

Official Spokesman on Situation G 3
Manta Base Backs Vargas G 6
State of Emergency Declared G 6
Chamber Forms Mediating Group G 7
Radio Stations Closed Down G 8
Officers Urged To Surrender G 8
Albuja Asks 'Separation' G 9
Army Seizes Sucre Runway G 9

PARAGUAY

Colorado Party Warns U.S. Envoy On 'Meddling' H 1
Government To Control Prices of Staples H 2
[EL DIARIO 8 Mar]

PERU

Garcia Departs for Argentina on 3-Day Visit J 1
Terrorists Black Out Lima, Other Cities J 1
Unleash 'Fierce' Attacks J 1
Threaten To Kill Officials J 2

VENEZUELA

COPEI Leader Says Debt Agreements Harmful L 1
[EL NACIONAL 1 Mar]
Government Replies to COPEI Statement on Debt L 2
Minister Comments on Stand at Next OPEC Meeting L 3

MEXICO

Government To Negotiate Debt With 5 Countries M 1
Finance Secretariat Reduces Petroleum Ceiling M 1
President De la Madrid Tours Tlaxcala State M 1

PANAMA

National Strike Against Labor Reform Continues N 1
Conato Rejects Proposal N 1
Forces Occupy Refinery N 2
Strike Actions Detailed N 3
[STAR AND HERALD 13 Mar]
Ministers Hold News Conference N 4
[CRITICA 13 Mar]
PDC Opposes Bills N 6
[LA PRENSA 13 Mar]
Delvalle on Economic Proposals, Doctors Strike N 6
Legislator Opposes U.S. 'Meddling' in Country N 8
[EL SIGLO 13 Mar]

CENTRAL AMERICA

EL SALVADOR

Duarte May Grant 'Safe-Conduct' to FMLN Leaders P 1
FMLN-FDR Postpones Trip to San Salvador P 1
[Venceremos]
Venceremos Comments on Philip Habib's Arrival P 2

GUATEMALA

Army Blames FAR for Salvadoran's Death P 2

NICARAGUA

Alleged CIA Agent Presented at Press Conference P 3
Note Sent to U.S. Embassy [ACAN] P 9
Tinoco Remarks on Signing Contadora Document [DPA] P 10
FMLN Denies Reports on Cease-Fire Proposal P 10
PCD Approves Participation in Open Meetings P 11

CUBA

Castro Seen Off in Moscow by Shevardnadze Q 1
Returns Home Q 1
Rafael Rodriguez Departs Moscow for Sweden Q 1
Funeral Delegation Named Q 1
Arrives in Stockholm Q 2
U.S. Response to Gorbachev Test Ban Proposal Noted Q 2

GROUP OF SIX SENDS MESSAGE TO REAGAN, GORBACHEV

PY102132 Buenos Aires TELAM in Spanish 1626 GMT 10 Mar 86

[Text] Buenos Aires, 10 Mar (TELAM) -- The Group of Six (peace initiative of the five continents), today sent a message to President Ronald Reagan and to CPSU General Secretary Mikhail Gorbachev, expressing concern over the fact that no concrete measures have yet been adopted to prevent an arms race in space, and to end the one on earth.

The document adds that as long as nuclear weapons exist there will be no security in the world, and that we all live confronted with the dreadful possibility of seeing ourselves annihilated in a nuclear holocaust, either accidentally or intentionally.

The Group of Six is made up of the chiefs of government and state, of Argentina, Mexico, India, Tanzania, Greece, and Sweden.

CAPUTO ON PEACE FORCE FOR CENTRAL AMERICA

PY131751 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1515 GMT 13 Mar 86

[Excerpt] Buenos Aires, 13 Mar (NA) -- Foreign Minister Dante Caputo today noted that the Argentine Government's decision to send an observation and patrol force to the Costa Rican-Nicaraguan border "is subject to an invitation to be extended by the Contadora Group."

He added that the sending of this intercontinental force is also subject to "the conclusion of a very complex regulation."

Caputo stated that this is not "a peace force made up of military personnel, of uniformed personnel carrying guns, like the UN 'blue helmets,' but an observation and patrol group that will patrol a conflictive area."

(?The foreign minister made this statement) at the end of a ceremony at which U.S. Ambassador Frank Ortiz donated to the Foreign Ministry a 200-volume collection containing all the treaties that have been signed since the Treaty of Peace of Westfalia in 1648 to the Treaty of Versailles in 1918.

AIR FORCE DENIES PURCHASE OF BRAZILIAN PLANES

PY132023 Buenos Aires TELAM in Spanish 2346 GMT 12 Mar 86

[Text] Buenos Aires, 12 Mar (TELAM) -- A spokesman for the Argentine Air Force has denied the purchase of 30 Tucano training planes from Brazil and stated that the institution is not carrying out any reequipment plan.

Various news media had published reports of the deal, based on information received from Brazil quoting Embraer [Brazilian Aeronautics Company] sources.

The Argentine military spokesman said that the only project between Argentina and Brazil is an agreement for technical industrial cooperation aimed at taking advantage of the expertise available in both nations, for a joint project to build an internationally acceptable aircraft.

GOVERNMENT ISSUES COMMUNIQUE ON LOPEZ' ARREST

PY142358 Buenos Aires TELAM in Spanish 2252 GMT 13 Mar 86

[Text] Buenos Aires, 13 Mar (TELAM) -- The Interior Ministry issued a communique tonight on the arrest of former Social Welfare Minister Jose Lopez Rega.

Herewith is text of the communique:

Today, Mr Jose Lopez Rega turned himself in to U.S. officials at the Miami airport, where he had arrived from the Bahamas. Lopez Rega is being held by the U.S. courts at the request of Argentine judges who are hearing cases against him. Upon receiving information that Lopez Rega had requested his passport through a third party at the Argentine General Consulate in Miami, the Argentine judges updated their request concerning Lopez Rega's arrest. In a public hearing today, a U.S. judge turned down a petition filed by Lopez Rega's lawyer requesting his release on bail. Lopez Rega is being held at a Miami detention center at the disposal of the U.S. courts. The provisions outlined in the Argentine-U.S. extradition treaty will be followed in his case.

CGT ISSUES COMMUNIQUE ON 25 MARCH STOPPAGE

PY131629 Buenos Aires TELAM in Spanish 0039 GMT 12 Mar 86

[Text] Buenos Aires, 11 Mar (TELAM) -- After a meeting, during which the General Confederation of Labor [CGT] decided on the characteristics of the stoppage scheduled for 25 March, it released a communique reiterating its criticism of the government, which concentrates all its propaganda on an effort to justify the fulfillment on the recessive IMF guidelines.

The communique announces that the stoppage scheduled for 25 March will last from 1200 to 2200 and that it will include Buenos Aires and neighboring areas within a radius of 60 km.

The delegations from the interior of the country were authorized to join the stoppage in accordance with the labor rules in effect in each zone.

Another resolution urges the workers to step up their actions to once more confirm the repudiation of the majority of the people of the measures castigating our nation.

The CGT leaders also confirmed that the 26-point statement drawn up by the CGT is in force, as well as the statement released by the plenary meeting held in Corrientes.

REPORTAGE ON COB DEMONSTRATION, REACTION

COB Leader on Goals

PY121651 La Paz Cadena Panamericana in Spanish 1130 GMT 12 Mar 86

[Text] As announced, the Bolivian Labor Confederation [COB] - sponsored protest march in defense of education, health, and other issues, to be arranged and implemented by the departmental labor federations, will be held today.

What will happen in the future is worrisome because the trade union leaders say that this is the beginning of their struggle to achieve the restoration of their violated rights. Therefore, Radio Panamericana asked COB Press and Propaganda Secretary Gonzalo Vizcarra whether today's and future mobilizations mean that the negotiations have suspended. Here is Vizcarra's response:

[Begin recording] [Vizcarra] This is common practice for trade union democracy. We are willing to hold talks. We have never suspended them. We will continue holding talks, although we know that these talks have always been unsuccessful in the past. However, despite this fact, the COB is always willing to hold talks under any conditions.

[Unidentified reporter] What would have to happen for the workers to end the stoppages and demonstrations they are staging to have their violated rights, as you say, restored?

[Vizcarra] Well, I believe the government has a say in this issue. The government knows that the situation is very critical, anguishing. This has never happened before in the country. Never before have we had such an anguishing situation as this one, especially for the working class, the salaried workers. Therefore, the government must solve this problem, and one cannot wait until May for a government present. The time is now. This is the time for [words indistinct] basically solve the salary problem. [end recording]

Asked about the guarantees provided by the Interior Ministry, Vizcarra stated:

[Begin recording] We expect them because all the marches and demonstrations of the working class have been peaceful. Therefore, we will not respond to any provocation. And, if problem arises, the government will bear the blame.[end recording]

Well, let us hope that things don't get out of hand. The workers claim that this will be a peaceful mobilization. Let it be so and let the police keep their distance so that we do not have to regret any negative events.

Interior Minister's Statement

PY131248 La Paz Cadena Panamericana in Spanish 1700 GMT 12 Mar 86

[Text] Interior Minister Fernando Barthelemy today said that if the protest demonstration organized by the COB for this afternoon is peaceful, there will be no repression. The minister added that all sectors have the right to protest within the framework of democracy. He stated, however, that blockading the main streets in the downtown area will not be allowed. This is what he said:

[Begin recording] In reality we are living in a democratic period. We cannot under any circumstance curtail the people's freedom, either individual or collective, to carry out protest demonstrations in issues they believe are damaging the country or affecting their interests. Therefore, we are not thinking about repressing the protest. What we are doing is taking the necessary measures to prevent the demonstration from hurting other people, because we have to protect not only the people's right to protest the economic policies but we also have the obligation to protect the right of the people who are not participating.

What I am trying to say is that as long as the demonstration is held peacefully as announced, we will not have any problems, the security organizations will not have any problems. What we cannot allow under any circumstance is the protest becoming violent. If that happens, we will have to repress it in the same way the violence is unleashed. We are also going to prevent street blockadges, because such actions obstruct free traffic and the bus services the population needs in this and other cities of the country. [end recording]

Interior Minister Fernando Barthelemy added that there is a threat of subversion in the country, pointing out that in the last few hours local newspapers have published proclamations and open letters that contain subversive terminology. He said that apparently there are groups that are enemies of democracy willing to interrupt the democratic process as soon as they have the opportunity. He made the following comments:

[Begin recording] [Barthelemy] Many of the communiques published in the press have subversive terminology and are signed by subversive elements who obviously are involved in this type of activity to accumulate weapons and to gradually create certain events that can lead to subversion at the appropriate time.

[Unidentified reporter] Do you believe there is a threat of subversion, that some group may try to interrupt the current democratic process?

[Barthelemy] Of course, it is possible that this type of work, this mechanism, once everything is established, can be used openly for subversion. [end recording]

Asked whether the government may be creating the political and social conditions to justify the reinstatement of the state of siege, the interior minister replied that the government does not want to impose a state of exception.

[Begin Barthelemy recording] I believe that this idea is not very healthy because the government, under no circumstance, wants to create problems for itself. The logical thing for the government to do is to try to govern by taking as much time as possible to solve the crucial problems of the nation and not use its time in acts of repression.

We only adopt repressive measures in accordance with the law, when they are necessary. In other words, it is not true that the government is creating conditions for declaring a state of siege. You can see the conditions. You can actually see where the conditions are created. We are tired of explaining the current conditions in the country. The seriousness of the crisis has been explained by the various ministeries. This crisis does not allow us at this time to satisfy the demands of the labor sectors by granting a salary increase. Therefore, we cannot see how the government position, which is very clear because there is no way to get money to implement a salary increase, can be considered or interpreted as a factor that is creating conditions to impose a state of siege. [end recording]

Violence Reported

PY131402 Paris AFP in Spanish 0103 GMT 13 Mar 86

[Text] La Paz, 12 Mar (AFP) -- Walter Delgadillo, COB secretary general, stated here today that the government of Victor Paz Estenssoro only has the support of weapons to repress the demands of the Bolivian people. Delgadillo was speaking in La Paz to a rally attended by thousands of factory and mine workers, peasants, students, teachers, housewives, and unemployed people who participated in the national day of protest against the government's social and salary policy.

In other Bolivian cities and in the mining sectors, the people also staged demonstrations against the salary freeze, layoffs and reassignments, the increase in the cost of living, and the economic crisis.

On the streets of La Paz, the demonstrators exploded powerful devices, creating fear among the people, while well-equipped national police troops strictly controlled the streets surrounding Government House and public and private buildings. Downtown La Paz was free of traffic for several hours when the demonstrators decided to block the streets to stress their demands.

The most fiery speeches were made by peasant leader Genaro Gomez and mineworkers leader Justo Perez, who stated that the government's neoliberal economic measures are causing misery among the people and that there has been no food in the mining centers for several months. Perez stated that the authorities have not made any effort to overcome the crisis of the Mining Corporation of Bolivia, which will lead to a massive layoff of more than 30,000 miners.

The rally turned into a strong protest when the participants began to shout slogans against Yankee imperialism, against the government of Paz Estenssoro, and against the government's indifference to solving the problem of public education. Schools have not been open for the past 2 months because the teachers are protesting low salaries.

In several areas of the capital where the day of protest turned violent, the police fired tear gas grenades to disperse the demonstrators.

At its last national leadership meeting the COB Executive Committee decided to suspend the negotiations with the government because of what it called the total indifference of the authorities.

COB Leader Assesses Results

PY131929 La Paz Cadena Panamericana in Spanish 1700 GMT 13 Mar 86

[Excerpt] According to Jose Justiniano Ligeron, COB organization secretary, the COB Executive Board considers yesterday's day of protest a total success.

[Begin Justiniano recording] In La Paz there were mass demonstrations just as the media have reported. In Oruro the working class also staged mass demonstrations. There were a few clashes between the workers, who threw some dynamite sticks, and the police who used tear gas. In Potosi and in Sucre there were many people demonstrating. In Cochabamba only a rally was held because of heavy rains; the demonstration was postponed until Friday. In Santa Cruz, too, the heavy rains forced the workers to hold only a few meetings during the day, but in the evening university students, teachers, and some workers staged a demonstration. We are very satisfied with the results which encourage the COB leadership to continue its policy of mobilizing the masses against the govenment's economic policy, and compelling the latter to amend it. [end recording]

LIBYAN MISSION INTERESTED IN ARMS PURCHASE

PY131341 Sao Paulo FOLHA DE SAO PAULO in Portuguese 11 Mar 86 p 7

[Excerpts] On 17 March a Libyan military mission is scheduled to arrive in Brazil with the objective of signing a $1-billion contract for the purchase of war materiel. In keeping with strict government orders (by request of the Armed Forces General Staff, EMFA, and the Brazilian Foreign Ministry), during their stay in Brazil the group will be escorted by agents of the National Service for Intelligence, SNI.

The visit was scheduled for 14 February, but because of an article published on 13 February by the newspaper FOLHA DE SAO PAULO announcing the arrival of the mission and the signing of bilateral contracts, the visit was was postponed. The Brazilian authorities, companies, and the Libyans have imposed a strict blanket of secrecy over the visit because Brazil may be creating an international incident since its most important Western ally, the United States, has decreed an international economic boycott against Libya.

The negotiations started in December 1985 when a Libyan Embassy adviser secretly visited installations of Embraer [Brazilian Aeronautics Company] Avibras [Brazilian Airspace Enterprise] and Engesa [Specialized Engineers, Inc.]. These are the main Brazilian manufacturers of heavy arms, which are located in Sao Jose dos Campos, 97 km northeast of Sao Paulo. The objective of this visit was to evaluate prices. Later, Libyan Ambassador (Faraq Al Seiti) held secret negotiations with Brazilian Foreign Ministry officials on the issue. Brazil is the third-ranking exporter of war materiel to Libya, after the Soviet Union and the EEC. In 1985, this bilateral trade yielded $9 million for Brazil.

The Libyan Armed Forces use a vast variety of Brazilian-made war materiel. It has 300 light Cascavel EE-9 combat cars and 100 Urutus EE-11 and an unknown number of Jararaca EE-3 armored command cars, all of which are manufactured by Engesa. In addition, it has cluster and incendiary bombs, as well as other special types of bombs, like those used to destroy airports. It also has land-to-land and air-to-land rockets supplied by Avibras. Avibras has additionally supplied the Libyan Government with several batteries of the Astros 2 multiple rocket launcher, which is equipped with SS-40 rockets that have multiple warheads with a 45-km range. Moreover, Libya has a tactical reserve of armored Urutus cars, light weapons, and ammunition of different kinds. Most of Libya's war materiel comes from the Soviet Union, France, the FRG, Spain, and Italy.

The Libyan Government is allegedly interested in acquiring new units of the Urutu EE-11 armored amphibious car, the Astros 2 multiple rocket launcher, and the Tucano T-27 military training plane, which is manufactured by Embraer. This bilateral transaction may total $2 billion.

In addition to the arms, Libya wants to purchase Brazilian products and technology for the installation of iron and steel, petrochemical, food, textile, electronic, and light arms industries.

INTERIOR MINISTER GARCIA COMMEMORATES CONSTITUTION

PY121940 Santiago Domestic Service in Spanish 1510 GMT 11 Mar 86

[Address to the nation by Interior Minister Ricardo Garcia -- live]

[Text] Ladies and Gentlemen:

His excellency the president of the nation has asked me to address you and the citizens at large through the news media on this occasion, the fifth anniversary of our Constitution and of the current presidential term in office. This occasion is particularly significant because the transitory provisions of our Constitution have been in effect for quite some time now, and just 3 years from today the system outlined by the permanent provisions of our Constitution will go into effect. Thus, now is the right time to assess clearly the national status quo so as to calmly and objectively evaluate developments and propose, from a constructive viewpoint, the best ways and means for the country's progress.

This clear assessment is especially necessary because it is obvious that certain sectors have been displaying certain tendencies marked by an inappropriate assessment of reality. Sometimes this assessment is not the result of a misinterpretation or difference of viewpoints but of the deliberate and negative intentions to sow groundless worries or present a slanted view of national activities through semantic distortions or biased opinions.

Such intentions can hardly help achieve well-being in the fatherland. Nothing could be less appropriate than to have the progress and prosperity that we Chileans could attain blocked by pointless dogmas, lack of understanding, disagreements, or ulterior motives.

Neither Chile nor any other country can afford to stall its progress and postpone whatever quest for improvement it is able to carry out. The speed of technical and scientific developments, the expansion of cities, the growth of our population, the need for new job sources and for making optimum use of resources compel all nations to do their utmost in the quest for progress.

The more evasive progress, the more negative the environment, the more difficult the international status quo, the greater and more sustained the efforts of the citizens of any country seeking to build a future of well-being will have to be. One of the most serious and frequent errors is to apply a short-sighted approach to national developments, as if the progress of a nation could be lost or attained in a single day, forgetting that a country can be made great only through dedication, perseverance, sacrifice, honest toil, patient saving, and creative imagination. Chile is no exception to this rule. Foresight is what will help turn it into a great nation and foresight can provide a firm and stable backbone for the well-being of all Chileans. [applause]

The strength of a people is based on the faith they have in themselves. Nations become weak when they start to doubt their own capacity to develop. We hope these words help us to better understand our real situation and our prospects. Our only goal is to serve the fatherland. In addition to the usual limits imposed on all developing countries, Chile is a nation that like many others has experienced the effects of an international economic recession and the deterioration of its exports. These are facts confirmed by well-known statistics.

However, in spite of this, if we make an objective study of the present national situation, and if we compare our fate with that of other countries, we shall conclude that Chile is today experiencing specific and permanent signs of economic recovery unlike other countries subjected to galloping inflation rates, economic restrictions, or adjustments that have been implemented at a later date than those implemented in Chile.

We Chileans can appreciate the projection of our development through specific development programs. The national index statistics show this development and offer encouraging alternatives. Moreover, many national sectors can see this on their own merely by evaluating the activities they carried out last year. The worst days of the economic recovery period are over. With a minimum degree of confidence in the evolution of the international economy and a more favorable behavior of international trade, we should achieve a sustained development and therefore, an expansion of job sources and a gradual increase in the income of all Chileans.

Nevertheless, the situation is still fragile. We must be particularly careful to improve on our results and thus decrease the poverty margins. To do this, businessmen and workers alike have a dominant role to fulfill since the strength needed to achieve this improvement will depend on their business and labor capacity. It will be the justice and equity that prevail in their relations that will result in an increased productivity of their resources and efforts.

In addition to an economic process that is of great importance in our every-day life, Chile is implementing a profound process to strengthen its institutions. In keeping with the characteristic respect of the laws that has traditionally prevailed in the country, since 1973 the government has been establishing its limitations. Firstly, through the issuance of decrees and later through the 1980 Constitution. In this Constitution the Chilean people decided to choose a path leading to a full democratic regime, toward which they are relentlessly heading. Like all the steps that have been and will continue to be taken, this is a decision that no one has or will impose on the country from outside its borders; [applause] because this would be unacceptable and rejected since it would not be in keeping with our tradition, sovereignty, and national dignity.

Unlike other nations that were forced to negotiate and improvise their political policy, Chile outlined a policy that was adjusted to the historical and legal characteristics of the nation. No one should be misled by the fact that certain constitutional norms are not pleasing to everyone. The processes of formation, approval, and the first years of implementation of the Constitutions of 1833 and 1925, the lengthiest in our republic's history, stand as sufficient evidence to this fact. We all know that there is no perfect law in the world, as there is no perfect human endeavor.

It should be made quite clear that Chile does not need to be shown or encouraged to adopt measures leading to a full democracy, because its desire to achieve democracy stems from its more than a-century-old tradition, and from its dramatic experience of having faced the risk of losing democracy forever. Chile certainly does not want to again run the risk of exposing its government to self-destruction.

All democracies seek to strengthen themselves. The great principles of all democracies necessarily and implicitly carry some systems that protect their existence in accordance with the reality in each country. Democracy, understood as a government system, guarantees the rights and duties of its citizens, watches over the separation of the branches of government, specifies the forms and occasions of faith, elects and respects the authorities of a political organization, and extols in essence and protects in practice a system of life based on freedom and mutual respect for everyone's rights and for the common good.

Chile has adopted these principles for its institutional life, and has added to them, as it did almost 40 years ago through its traditional democratic structure, as contemplated by the great free nations the unlawfulness and inconstitutionality of acts of persons or groups, intended to inculcate doctrines that represent an attack on the families, that instigate violence or a concept of a society, a state, or the legal order of a totalitarian nature, or based on the struggle of classes. These elements, as well as the weakening of classes. These elements, as well as the weakening of the right to have a private property, essentially represent an attack on the authentic freedom, as has already been demonstrated historically. [applause]

Chile is carrying out this institutional process through a necessary plan of complementary social and economic development. In this manner the government is implementing that profound consensus that in 1973 reflected the national desire to obtain an objective that the great majority wanted. The country can observe the efforts that have been made to obtain this goal.

One of the principles that inspires this institutional process which deserves special attention is human rights because of the deliberate confusion created around it. It is necessary to be categorical about this issue. The government and the rules that govern its actions are in accordance with its profound respect for human rights. This is guaranteed by constitutional regulations and sustained by the principles set up by the government. This is how we who are holding government positions feel and think. We have repeatedly set up the necessary rules and instructions to thoroughly protect human rights. We do not accept their violation. If there are cases of violation of human rights, our position is clear. They will always be investigated and the people responsible punished if necessary. [applause]

It should be realized, however, that when talking about human rights the broadest definition should be used. We are not only concerned, as some people think, with the illegal excesses of people who commit crimes against society, but are also concerned, and we strongly raise our voice in condemnation, when the human rights of the men who are called to protect public order and security are violated through attacks against their lives, integrity, dignity, and the respect they deserve. Human rights mean that the great majority can live in peace, free of violence and the threats of terrorism.

Therefore, we should not confuse the actions aimed at preserving order with the actions of people who consciously and in a calculated manner carry out attacks against the life, property and tranquility of the inhabitants of the Republic by violating the rights of the people and society. Their actions deserve the strongest condemnation from the national and international community. [applause]

Our constitutional rules and the government's policies and attitudes have given special importance to the courts of justice. We have always respected the courts' independence, a fact that was praised by the judicial branch on a solemn occasion. We give special emphasis to this fact because the citizens know very well that the government has never used the courts to secure a special sentence, but receives a favorable or an unfavorable sentence with an attitude of respect that unfortunately cannot always be observed among other members of the national community.

Government action is not directed at harassing anyone. Whenever someone seeks to subvert order, it is the responsibility of the government to defend the community. We must guide the country toward the institutional, economic and social development we wish to achieve. This is the role we must play as Chileans and as members of this society. Although it may be unpleasant, this role compels us to denounce any violation of the order and to take action to defend and protect the tranquillity of the citizens.

Thus, let us not mistake one thing for another, and let us not fail for untruth or fancy words. Let us not term as aggression the actions which police and security forces must undertake to protect citizens. Neither should we be carried away by the barrage of words used to describe as repression the government's requests that the courts investigate certain actions and punish them according to the law if appropriate.

Failing to do so would be leaving the community open to chaos and that would indeed be noncompliance with a basic duty of every government and would also mean jeopardizing the rights of the citizens by allowing them to face a great risk of anarchy the worst kind of corruption and disintegration to which a political system can fall prey. [applause]

Based on the principle of reconciliation and the demands for common good, this government from its beginning had unity and national integration as its goal. This is why we thoroughly understand the profound meaning of reconciliation which is a basic issue in our culture. We understand that reconciliation must be carried out based on truth by removing hate from the hearts of people who must change.

We understand that reconciliation does not mean that we have to think alike, that we must adopt similar social, political, and economic doctrines, that we must have similar ideas about what is going on. In this regard, the people of any country, according to the times in which they live, will think differently and will adopt different positions, strategy and tactics:

It would be laudable if a real spirit of reconciliation prevailed, if reconciliation would no longer simply be a slogan for some people to use only to attack others to disguise their contradictions and deficiences, thus abusing such a high moral principle for political reasons. The government advocates an authentic reconciliation with an open attitude and feeling. There is not hatred in our spirit. We do not want to exclude anyone. We do not wish harm to anyone. We would like to see some sectors do away with hatred, especially the hatred stemming from ideological beliefs. We wish they would moderate their plans and actions, and stop using negative attitudes to promote tension, confrontation, and destruction by not adjusting themselves to the truth. In sum that they stop degrading the highest values of national coexistence. [applause]

We are striving to achieve the well-being of the country and of all Chileans, as is our government duty. The Chilean people are witnesses to the efforts that are being made daily at all levels to improve the country's situation in keeping with the limitations that we confront in our capacity as a developing country.

No one should detract from the work that is being carried out since it is in keeping with the nature of events and their backgrounds. If the overall picture were studied from an objective viewpoint, people would see a government that received a mandate and is fulfilling it. Those who truly want to achieve the development of the country should contribute to this great objective. If this were the case, all Chileans, without exception, would benefit.

However, it is sad to see these contributions decreasing in number and that some people are trying to make the government fail in its attempts or undermine them and thus launch an unceasing criticism instead of helping the government achieve fruitful results for the well-being of all Chileans. [applause]

This is not the government of a political party. It is the consequence of a historic commitment that was made by the Armed Forces and forces of order. Therefore, it is a government for Chileans and by Chileans. [applause]

Its success should be sought by all. Its inheritance will not be for a few but for the fatherland, which belongs to all Chileans. [applause]

Unfortunately deceitful words have sometimes attempted to distort this image and show a completely different picture. Such actions are completely erroneous and inconvenient, not only for the government but for the entire country. It is completely pointless and entirely negative not only for the government, but for the country to try to present a picture that is different from reality, filled with pessimistic views; or to try to show Chile to Chileans and foreigners as a nation that is confronting the most serious and problems of its history, and that is submerged in a widespread crisis.

But it seems that, oblivious to the works and development that has been achieved, they continue to stubbornly issue the same depressing diagnosis they have been issuing for years. Moreover, it is false and negative to describe the prevailing constitutional system as a dictatorship.

All that been said, the government program, the timetable that has been enforced, the independence of government branches, the independence of the courts, the legal proceedings, the firm adherence to constitutional measures and laws, and the vast sectors that the government has opened to citizens to freely express their opinion, which are far more numerous that have been opened in past decades, prove that these distortions are completely false.

It is unfortunate that Chilean citizens, who should praise all that has been achieved, are driven by political passion to propagate even in foreign lands, this slander that damages the image of their fatherland.

Ignoring or distorting the reality of the country's dynamic development is also negative. We understand that some actions can be criticized. We appreciate criticism, but for the benefit of national interest and for a better national destiny, which should be the goal of all Chileans, we demand that any criticism that is made be constructive [passage indistinct]. With greater emphasis on what we said before: The government is open to any contribution by the citizens who effectively pursue the country's well-being.

The progress of the institutional program will allow room for such constributions as long as they meet the national objectives of prosperity and well-being. When behavior contrary to these objectives is observed, one should question whether it is inspired by a lack of faith and confidence in the government's true will to attain our national aspirations.

If such distrust exists, it could mean nothing but an unfair judgment of the Chilean Armed Forces and the forces of order which have supported the government supplying it with its foundations, and which have always honorably fulfilled the government's orders giving the nation nothing but glory throughout history. [applause]

The Armed Forces and the forces of order are committed to guaranteeing democratic security and stability for the Chilean nation. They will never hesitate in fulfilling this lofty mission. [applause] Unless one wants to seriously offend them, no one should assume that the Armed Forces and the forces of order, which have sworn to oversee the attainment of this objective by following the provisions of the Constitution and the laws, will not commit all their energies to the fulfillment of their mission.

What I have said concerns the present, but projecting these same statements into the future should give us a renewed confidence in the moments we now live. All that has been announced in order to proceed our march forward will be intensified in 1986.

Regarding legislation complementary to the Constitution, it should be recalled that, in addition to initiatives that are now being considered by the legislative branch, the advisory commission on proposed legislation, in accordance with this year's planning, will submit 12 new bills regarding various matters about which the public is well informed. These new bills will follow those that are in an advanced state of preparation in the ministries or special commissions.

One of those bills refers to the law on the public electoral system, which along with the law on political parites, once implemented, will constitute part of the final structure for the nation's political activities. Therefore, the preparation of laws implementing the Constitution will basically be completed in 1986. Only the decisions by the Honorable Government Junta will then be necessary so that these laws can be implemented within the pre-established timetable.

It is worth pointing out that the electoral registry law will go into effect this year. This law is currently being studied by the Honorable Government Junta. This law will permit to begin registering people for the plebiscite and elections established by the Constitution.

The legislation establishing labor courts will also go into effect very soon. In addition, the government now wants to stress its willingness to perform an in-depth analysis of some issues that are particularly significant for the Chilean people and for their progress. The government wants to optimize the results of the work undertaken in several sectors where, despite the intiatives and valuable studies that have already been performed, it is necessary to improve coordination if results are to be achieved sooner.

One of these issues deals with the promotion of regional development, production, and the creation of jobs in the interior. An additional objective will be to balance our demographic distribution, so that in the future, life in our country should not be hindered by a metropolitan region disproportionately large in respect to the rest of the country. Another objective [passage indistinct] even though we could reduce it, we need our strongest creative forces to control it.

In this regard, a third objective will be to broaden our possibilities in the housing sector, so that the Chilean people's aspirations in this area may be even more thoroughly fulfilled, particularly as it concerns the middle classes. This will not affect the existing housing programs.

From another viewpoint, the financial recovery and restructuring process, which had to be performed in the wake of the latest crisis, will be substantially strengthened this year.

In the months ahead, and before the end of this year, we will conclude the ongoing program of denationalization of the companies that had been previously nationalized. We will thus end the intervention of the state in the management and control of private capital. In this regard, the respective owners will again assume full responsibility. All this is to be supplemented by the development of an effective, popular capitalism, which the government has strongly supported and which should yield even better results during this period.

We have ahead of us in 1986 a year of great challenge, not the challenge of one sector to another, or of a so-called opposition to the government or from the government to any individual or group. This is a challenge from Chile to Chileans, so that every individual can struggle on his own for the overall progress of the country. [applause]

This is a goal that does not have any political connotations because to accomplish this goal all we need is to be Chilean, to feel Chilean, to act as Chilean and to love Chile. [applause]

Just as 1986 will be a year of defiance, the future of the country is also a great challenge to our imagination, creative ability and efforts. We are nearing the end of the 20th century. The year 2000 is already appearing on the horizon and the 21st century is about to begin the third millennium for our Christian and Western civilization with its new and unsuspected prospects. We will pass away but the new generations, the children and the youth, will enjoy the progress we make. It is necessary to forge ahead and give them security.

We want a great nation. We want its greatness to be, we want more than material well-being, the achievement of social justice and the reign of authentic freedom. We want freedom for private enterprise so that the small, medium and large private companies can join their efforts at the service of the community, the country, and their owners, professionals, technicians, and workers. We want freedom so that everyone can enjoy equal opportunities and the legitimate benefits of their efforts through guarantees and the natural right for private property, which is the only way to secure the basis of social order. [applause]

We want freedom so that no election can jeopardize essential values. This is our goal, our objective. Those who really want Chile to progress should come join this integration process. Those who are capable of seeing and appreciating reality should join in the work that can only lead to the well-being of Chile.

The times we are living through do not allow ambiguous positions. It is necessary to take a decisive position and have a clear definition in the face of the basic principles of the national life. The culture and dignity of our people and the responsibility before the nation demand such a position.

There is a line of action within law and order that can give us a solid institutional life and overall development with realism, without deceit, demagogy, or false promises. There is another line of action that advocates chaos and confrontation to make the country ungovernable in line with violence or in connection with people who are willing to accept violence or in connection with people who are willing to accept violence although they may disguise their attitude with dubious words and false promises.

The first line of action is the star that guides Chile, it seeks its current progress and its firm future prospects. Its roots are in Chile. It feeds from the force of our nationality and carries the Chilean flag. [applause]

The second line of action receives support from beyond our borders, from movements that have nothing to do with our own self, that are obviously unaware of the situation prevailing in our country, and that at times even uphold principles that are totally opposed to our national character.

We wish there were no such opposing positions. As a matter of principle, we neither foster nor promote that sort of difference. Therefore, we call upon the people to stop and reflect and, above all, to act accordingly, in order to meet only the challenge that all Chileans are now facing, that is, to responsibly contribute to our fatherland's greatness. [applause]

Thus, if we are aware of the truth and the challenges posed by the historic moment we are going through, there can be no justification whatsoever for those who offend our country, who condemn the path we are following, and who impair the image of our country by sowing the seeds that cannot germinate in Chile.

If all of us agree that there are honest intentions, no one should then fail to rise in defense of the national dignity that is being harmed and, particularly now, no one should fail to proudly let his voice be heard to clearly state that Chile is the fatherland of Chileans, and that within our borders, it is we, Chileans, who are following and who will follow the courses that we have chosen and that we will continue to choose by ourselves. [applause]

If all of us hold the same views on our situation, we will proudly build a national democracy that will definitively strengthen Chilean greatness and will command respect in the eyes of an incredulous world, for the happiness of all the children of this land where we had the privilege of being born. Thank you very much.

Opposition Scores Garcia Speech

PY121607 Santiago Radio Chilena in Spanish 1600 GMT 11 Mar 86

[Excerpt] Interior Minister Ricardo Garcia's speech received little credit from the opposition, with some of its members asserting that nothing has changed to justify modifications in the goals and the social mobilization strategies scheduled for 1986. Socialist leader Alfredo Molina Lavin, a member of the Socialist Party Political Commission of the Briones-led sector, told our reporter:

[Begin Molina recording] We have repeatedly heard about the government's good intentions. However, events have proven that reality does not correspond to what has been promised. We have always been deceived by this government, and for that reason we continue to distrust it, although hoping that it will change, because a change would be very positive. But we very much doubt that it will change. [end recording]

Meanwhile, Christian Democrat Enrique Krauch has asserted that such things have been heard before, and he confessed his doubts about the real intentions contained in the speech:

[Begin Krauch recording] The interior minister's usual statements to the country always are essentially conciliatory in content. This time he again displayed this attitude, which is consistent with his personality. Unfortunately, however, these good intentions that the minister periodically announces to the nation do not always come true. This program of basic institutional norms has already been announced by the president and by other government officials, without having changed anything so far. [end recording]

On the other hand, German Correa, the chairman of the Democratic Popular Movement, has said that once again, the Chilean people and their troubling problems were not considered in the interior minister's speech:

[Begin Correa recording] This should not surprise us, because this government is not a government of the Chilean people. It is the government of a minority which, with the help of weapons, took hold of and usurped the rights of the government constitutionally installed in 1973.

Moreover, this speech attempted to establish ties between the Armed Forces and the government by connecting the destiny of the Armed Forces to that of the government. Nothing could be more misleading. This government defends the plans of an illegitimate, looting, and antinational minority. The Armed Forces cannot commit their institutional destiny to this government, which the Chilean people have decided to oust as soon as possible. [end recording]

Saldivar Comments

PY121729 Santiago Radio Chilena in Spanish 2200 GMT 11 Mar 86

[Text] The speech Interior Minister Ricardo Garcia delivered during the government celebration on the fifth anniversary of the 1980 Constitution did not contain any surprises for Andres Saldivar. Saldivar said that the minister's speech had no relation whatsoever to the real situation in Chile, and that in some ways, he said, it showed insecurity because the administration had nothing new to say. The chairman of the Christian Democratic International was incisive in his comments:

[Begin Saldivar recording] Everything that could be learned from the speech was a portrait of a country that is not Chile, where there are no human rights violations, where all freedoms are respected, and where the path being followed really leads to democracy. I believe that the interior minister is out of touch with the reality of this country. The country is facing a serious crisis, profound social and economic problems, and a political problem that has not yet been solved. It is a country that is isolated internationally. It is a country, as I usually say, with a great majority who are willing to return to a normal democratic life -- where the rights of the citizens can be expressed and where their fundamental liberties can be respected -- but in actuality where a small minority holds power supported by force and has a different view of the country. [end recording]

Based on what we have heard, it is evident that what is being emphasized and discussed is mostly what was not said at the Diego Portales Building. Regarding the latter, Andres Saldivar recalled that the international isolation of Chile is being caused by all that is said and done by the government:

[Begin Saldivar recording] I believe that when the minister attacks the politicians it is because in the government's despair it is trying to blame someone for Chile's international isolation. The government does not want to believe that the cause of the isolation lies in the fact that in Chile human rights are being violated, because in Chile there is no democracy the way the entire world would like to see it, and because this is one of the last Western countries that is still under a nondemocratic form of government, which makes the world look at it with distrust; not at the country, but at the government, at General Pinochet's regime. [end recording]

Saldivar's position, as stated in his declarations, has made news around the world because of the position he occupies and because he is a politician who deals with representatives of the biggest powers. For that reason, he incisively rejected the accusations made against the opposition, because these lead other governments to condemn General Pinochet's regime [sentence as heard].

Officials Praise Speech

PY121631 Santiago Radio Chilena in Spanish 1630 GMT 11 Mar 86

[Excerpts] Government officials have said that the speech Interior Minister Ricardo Garcia Rodriguez made on the occasion of the fifth anniversary of the implementation of the 1980 Constitution is self-explanatory. Admiral Jose Toribio Merino Castro said that the text of the speech clearly divides the Chilean citizens into the native and pro-Moscow citizens. Foreign Minister Jaime del Valle, in turn, noted that the speech clearly rejected the democratization formulas proposed by other countries.

At the end of the ceremony held in the auditorium of the Diego Portales building, Admiral Merino gave his opinion on the speech to the media. He said that it was very interesting because it clearly differentiated the native citizens from the pro-Moscow citizens.

[Begin Merino recording, in progress] ... especially because it defines what I had stated a few days ago. Currently throughout the world there are two types of human beings: the native citizens and the pro-Moscow ones. We, and all of you who are willing to work, to produce more for the country's benefit, are the native citizens here in Chile. The pro-Moscow citizens are receiving money from abroad and are willing to kill, destroy and [words indistinct] with the prupose of creating chaos. [end recording]

Minister Secretary General of Government Francisco Cuadra asserted that the speech represents an appeal to all Chileans to cooperate for the development of the country.

[Begin Cuadra recording] is an appeal to the Chilean citizens of good will who wish to actively cooperate in the institutional, political, and socio-economic development tasks that are part of the country's overall development. It is an appeal to give up attitudes of confrontation and violence, which, naturally, will not make any positive contributions to the fatherland. [end recording]

Health Minister Winston Chinchon made a similar statement. He asserted that this appeal to all Chileans aimed at achieving development is a positive and patriotic attitude.

U.S. AMBASSADOR 'UNAWARE' OF CONDEMNATION

PY132342 Santiago Radio Chilena in Spanish 1600 GMT 13 Mar 86

[Text] U.S. Ambassador to Chile Harry Barnes today said that he is unaware of a U.S. request for international condemnation of the Chilean Government on charges of repeated human rights violations. Barnes made this statement after meeting President Augusto Pinochet and Foreign Minister Jaime del Valle at La Moneda Palace. The U.S. diplomat told reporters that he has only seen press reports on the proposal by Richard Schifter, U.S. assistant secretary for human rights and humanitarian affairs. In Geneva on 12 March, the U.S. representative asked for international condemnation of Chile in view of the failure of the so-called quiet diplomacy, and in the face of the persistent human rights violations in Chile. Asked about the issue, Ambassador Barnes said:

[Begin recording] I have read some press reports but, when I left the embassy I had not yet received any information from our mission in Geneva. Until I receive such information I cannot be sure of what is happening. [end recording]

Asked about the change in U.S. policy toward Chile, Ambassador Barnes replied that he is unaware of the meaning of the so-called quiet diplomacy.

POLITICAL ACTIVITIES INFORMATION BAN LIFTED

PY141212 Santiago Domestic Service in Spanish 1105 GMT 14 Mar 86

[Text] Today the government has lifted the information ban on political and party activities. This measure will take effect after the publication of the decree in the OFFICIAL GAZETTE, which will circulate within the next few hours. The decree says in Article 1 that during the state of emergency, established through a decree issued on 12 March 1985, the freedoms provided for under Clause No 12 of Article 19 of the national Constitution will be exercised by the news media as provided by the law. These freedoms will be exercised with the following restrictions: The news media will abstain from reporting through any means or in any form reports or opinions related to: the conduct described by the law as terrorist crimes; activities by persons, organizations, movements, or groups that are described in Article 8 of the Constitution; criminal behavior described and sanctioned by law regarding the security of the state.

In Article 2, the decree states that the previous restrictions will not affect official reports stemming from the government. It also establishes that the Ministry Secretariat General of Government and the respective chiefs of the zones in a state of emergency will ensure enforcement of these two articles. It concludes by saying that national defense chiefs are hereby authorized to restrict freedom to move from one place to another and to suspend or restrict the right to hold meetings within their respective jurisdictions. The decree is signed by the president of the Republic and the interior minister.

Thus, the government has lifted restrictions on information regarding political and party activities that have been in effect since June 1985. On that date, another decree was implemented that also included a special item stipulating restrictions on activities, actions, or negotiations prohibited by the transitory disposition included in the Constitution.

Thus, we reiterate, today the government has lifted restrictions on information on political and party activities.

FOREIGN MINISTER RESPONDS TO U.S. CRITICISM

PA130026 Managua Radio Sandino in Spanish 0000 GMT 12 Mar 86

[Text] In a clear reply to U.S. criticism, Colombian Foreign Minister Augusto Ramirez Ocampo said in Bogota today that nonintervention, noninterference, and the search for and application of peaceful solutions to international conflicts have been the traditional pillars of Colombian foreign policy.

Yesterday, the U.S. State Department strongly questioned the attitude of Colombian President Belisario Betancur regarding the Central American conflict, and described Betancur as weak because of his statements condemning and opposing President Ronald Reagan's request for $100 million in financial aid for the contras.

No Official Protest

PA122210 Bogota Television Service in Spanish 0000 GMT 12 Mar 86

[Excerpts] The disagreement between Colombia and the United States on how the Nicaragua situation is being handled as part of the Latin American crisis has grown deeper. Colombia gives too many concessions to the communists, the U.S. Department of State has said. The United States' policy toward Nicaragua is mistaken and all Latin American countries reject it, it is claimed in Colombia.

Foreign Minister Augusto Ramirez Ocampo has indicated that President Betancur voices Latin America's ideas as expressed in the Caraballeda and Punta del Este agreements. Supporting irregular movements, regardless of the country that does it, violates international law, the foreign minister added. He said that that is a factor that upsets peace in America. Foreign Minister Ramirez Ocampo said that no country can be beneath the principles of the UN Charter. Intervention in the domestic affairs of other countries is the essence of respect between nations, he said. The foreign minister also said that there will be no protest note to the U.S. Department of State over its statements on Colombia's foreign policy.

RAMIREZ OCAMPO DEFENDS EFFORTS IN CONTADORA

PA130038 Botota EL TIEMPO in Spanish 8 Mar 86 p 8-B

[Text] Foreign Minister Augusto Ramirez Ocampo said yesterday that Colombia's actions within the Contadora Group to achieve peace in Central America and the resolution of border conflicts among several countries are not mutually exclusive efforts.

Ramirez Ocampo stated this in response to criticism from former President Alfonso Lopez Michelsen to the effect that it is not logical for Colombia to spend time trying to resolve other countries' problems when it has maritime border conflicts pending with Venezuela, Honduras, Nicaragua, Jamaica, and Costa Rica.

"The Colombian Foreign Ministry has been working daily on the topic of its maritime borders and has been trying, without a day's respite, to resolve what is, in my opinion, one of the Foreign Ministry's priorities," the minister said. He said that to seek peace in Central America is at the same time to do the same for the country, because of the "communicating vessels" [vasos comunicantes] in this case.

Ramirez Ocampo emphasized that "not only are efforts of this nature outside Colombia irreproachable; for them to be criticized by former president Lopez's government is self-contradictory. In another Contadora meeting, he devoted himself to trying to resolve the Panama Canal problem. I believe that at that time one should have asked President Lopez if he believed that he was neglecting Colombian affairs." He added that not only is this consistent, "but the possibility to meet continuously with all these countries, and to expand our ties with them has allowed us to invigorate our talks and face topics with far more frankness and in much greater depth."

SENATOR GALAN WITHDRAWS PRESIDENTIAL CANDIDACY

PA130237 Bogota Television Service in Spanish 0000 GMT 12 Mar 86

[Text] Several minutes ago Senator Luis Carlos Galan Sarmiento issued a statement to comment on the Sunday's electoral results, which were unfavorable to him, and to announce that he will not register, that is, that he will not enter the presidential election. He will continue as leader of the New Liberalism faction. Here is Galan Sarmiento's statement:

[Begin recording] As presidential candidate and director of New Liberalism, I expected a different result from these elections. However, I have always been aware of the sacrifices and problems entailed in a mission like the one we have set out to fulfill to rescue Colombia from a political system that oppresses it, frustrates it, and is the fundamental cause of injustice and violence. The results of the elections are a political fact that I cannot ignore, even though it will imply a new frustration for the Colombian people. In view of the above, I will not register my presidential candidacy. Second, I will continue my duties as director of the New Liberalism faction, because never before was it as important as it is now to persevere in the defense of the ideals that gave rise to this national, autonomous political organization.

Within a few days I will bring together the members of Parliament to examine the political process that began as of the 9 March elections. I will visit all the departments again to thank my fellow party members for their loyalty and cooperation and establish the elements of this new political phase.

I see neither the willingness nor the capacity to organize the country in the other presidential candidates. I cannot support them because for the past 25 years the political forces they represent have had every opportunity to resolve the nation's problems and they have failed to do so. Both Virgilio Barco and Alvaro Gomez Hurtado are options of continuismo. They cannot and do not want to alter the current power structures. They lack the necessary political strength. They accept the machinery, and, therefore, they lack the conviction to confront those who obtain all kinds of privileges, from the arbitrary access to public office to official contracts that finance many political campaigns, while social inequalities grow. The country's natural resources are being depleted and organized crime is expanding its areas of influence and intimidation.

We did not win these elections, but we have not been defeated either. New Liberalism will prove that is is the true renovating force of Colombian politics. With the support of one-half million Colombians who loyally reaffirmed their solidarity and trust, members of Parliament, deputies, and councilmen of the New Liberalism faction will continue to fulfill our mission as lawmakers and overseers. We will face this new phase to reach the nation's conscience with faith and honesty. We will continue the struggle with greater determination. Now more than ever, our motto to serve Colombia is: Always onward, not a step back. What must be done will be done. [end recording]

FEBRES CORDERO ACCEPTS PINEIROS' RESIGNATION

PA132348 Quito Radio Quito in Spanish 2300 GMT 13 Mar 86

[Text] It has been learned from official sources that Ecuadoran President Leon Febres Cordero has accepted Defense Minister General Luis Pineiro's resignation as well as the availability [disponsibilidad] requested by General Manuel Maria Albuja, commander general of the Army.

Meanwhile, following the president's return to Quito, several executive decrees were issued appointing General Jorge Azanza as acting defense minister until a new minister is appointed. Another decree appoints Gen Azanza new commander of the Army and chief of the Armed Forces Joint Command, replacing Gen Manuel Maria Albuja. Joffre Torbay, secretary of public administration, read the executive decrees. [passage indistinct]

VARGAS SEIZES QUITO BASE; CRISIS RENEWED

PA140207 Quito Radio Quito in Spanish 0115 GMT 14 Mar 86

[Text] Radio Quito hereby confirms that General Frank Vargas Pazzos, who recently held the Manta Air Force Base for 5 days, has now seized the Mariscal Sucre Air Force Base in Quito. Gen Vargas Pazzos was being detained at this Air Force base awaiting trial. An officer on guard at the Mariscal Sucre Air Force Base was consulted by Radio Quito regarding the occupation of the military airport by forces loyal to the discharged Gen Vargas, former Ecuadoran Air Force commander. The officer gave Radio Quito an affirmative answer to this question. Frank Vargas had been held incommunicado at this Air Force base since Tuesday. Gen Vargas rebelled and seized Manta Air Force Base, on the Ecuadoran coast, from 7 to 11 March when he [4-second break in transmission] charged Defense Minister Gen Luis Pineiros and Gen Manuel Albuja, commander general of the Army, with corruption. The two generals have been removed from their offices by President Leon Febres Cordero.

This report was confirmed only a few minutes ago during a military event [acto] at the Mariscal Sucre Air Force Base in Quito. During this event Gen Frank Vargas asked all those loyal to him to step forward and those who oppose him to remain in their places. This is what has just happened at the Mariscal Sucre Air Force Base. [passage indistinct]

Vargas Supporters Claim Seizure

PA140228 Quito Radio Quito in Spanish 0214 GMT 14 Mar 86

[Text] A rebel officer who supports the stance taken by Gen Frank Vargas Pazzos, who seized the Mariscal Sucre Air Force Base in Quito, has said that Gen Vargas Pazzos did not seize the base, but that they [not further identified] seized the base as an expression of support for Gen Vargas and to protect his life.

Vargas Calls For Support

PA140302 Quito Radio Quito in Spanish 0220 GMT 14 Mar 86

[Text] Gen Frank Vargas Pazzos has just emerged from the base to speak to the people gathered around the Air Force base and to the soldiers, noncommissioned officers, and officers who accompany him.

He has made serious charges and has asked for the support of various social and union organizations for his movement, which he says seeks to restore democracy in the country. Gen Vargas Pazzos' words will follow.

Gen Vargas was surrounded by Air Force personnel who support him and who protected him against the crowd trying to reach him to greet him and offer their support. I repeat: There were approximately 600 people around the base when Gen Pazzos spoke out against the government, declared himself in open rebellion, and reiterated past statements. Gen Vargas demanded the arrest of Gens Pineiros and Albuja, but did not answer a question regarding the possibility of mediation or about the National Chamber of Representatives' having an active role in this difficult situation.

[Begin Vargas recording] Your patriotism shows me that you are on the side of the Ecuadoran soldier. However, do not waste your strength. I ask that you organize around the base to give me the protection that the [words indistinct] I must carry. [shouts, applause]

I believed in the word of the president of the Republic. He offered me guarantees, and after I gave up (?Manta) for the good of peace in Ecuador, he went back on his word. [Sentence indistinct] [crowd shouts: We are with you!]

Organize yourselves; organize yourselves in the neighborhoods; organize the people so that we (?can defend ourselves inthe streets). [shouts, applause] I call on the people of Ecuador to put an end to tyranny and for justice to triumph so that tomorrow our children will not be slaves. That is why I am here today. [shouts, applause] [Sentence indistinct]

I ask the people to organize in an orderly manner and defend the cause of [word indistinct]. Call your neighborhoods, call your [word indistinct] to have a sufficiently organized force and to be able to struggle in this [words indistinct]. The tyrant is going to launch all of his forces, but he will have to take the blame for the blood shed by these people who will multiply tomorrow. Instead of [words indistinct] a single man. [shouts, applause] [end recording]

Vows 'To Fight Tyrant'

PA140312 Paris AFP in Spanish 0217 GMT 14 Mar 86

[Text] Quito, 13 Mar (AFP) -- During a harangue [arenga] picked up this evening by local radio stations, Gen Frank Vargas Pazzos said: "Now I am going to fight against the tyrant who wants to tyrannize the people. The people will come, and if I have to die I will do so like a man." Gen Vargas Pazzos made this statement after seizing the Air Force base in Quito -- where he was being held awaiting a court martial -- only 48 hours after surrendering another Air Force base in Manta. Gen Vargas Pazzos surrendered to President Leon Febres Cordero.

Last night the president said that the 5-day mutiny led by the rebel in Manta, 419 km west of Quito, "was not only a case of military insubordination, but a political conspiracy underway."

Vargas on 'War Footing'

PA140700 Madrid EFE in Spanish 0420 GMT 14 Mar 86

[Excerpts] Quito, 13 Mar (EFE) -- From an Armed Forces jeep, rebellious Gen Frank Vargas Pazzos has declared himself on a war footing against the Ecuadoran Government headed by the "tyrant" Leon Febres Cordero.

Vargas made this statement at the entrance of the Mariscal Sucre military air base in Quito, before 500 civilians supporting him, who had gathered there after it was learned this afternoon that the military leader had rebelled for the second time in a week. According to Gen Vargas, his new rebellion is due to noncompliance with the promises he had received so that he would give up his rebellious attitude at the Manta Air Force Base, where he entrenched himself from 7 to 11 March. According to Vargas, he could not tolerate the fact that while he was held confined and incommunicado, Gens Luis Pineiros and Manuel Albuja, who were removed today from the Defense Ministry and the Army Command respectively, were free.

"They should be put in jail by the people," Vargas said. He had accused them of illegal appropriation of military funds and demanded their removal when he occupied the Manta Air Force Base on 7 March.

During his two public statements today, Vargas called President Leon Febres Cordero a "traitor" and a "tyrant" and said that he is determined to struggle "for a new democracy." In addition, he urged the Ecuadoran people to support him, stating that he had the full support of the Air Force, and he asked the Army, Navy, and national police to join him.

He called for the support of the Ecuadoran people and asked those present to surround the Quito Air Force Base in order to prevent possible attacks. His civilian followers replied to Vargas by requesting weapons. However, Vargas said that he could not deliver weapons to them, as he did not have large quantities. Then a hundred of sympathizers left to demonstrate, shouting and demanding President Febres Cordero's resignation.

Meanwhile, the government is holding a special session at the Presidential Palace, in the Quito's colonial sector, where the police are not allowing any vehicles to circulate. The police forces have also blocked access to the Mariscal Sucre Air Force Base, although pedestrians can still reach it. The base appears to be on a state of alert, in total darkness, and members of the Air Force are mounting a guard on all of its perimeters. Regarding the situation initially behind the conflict, the resignations of Gens Luis Pineiros and Manuel Albuja were made public today.

Official Spokesman on Situation

PA140440 Quito Domestic Service in Spanish 0249 GMT 14 Mar 86

[Statement by Patricio Quevedo, national secretary of public information; place not given -- live]

[Text] Compatriots: A few minutes after 1730 today, Frank Vargas Pazzos, former commanding general of the Ecuadoran Air Force [FAE] and a lieutenant general on inactive status, forcibly seized the Mariscal Sucre Air base in the city of Quito. This information, which was disseminated rapidly throughout the country, rightfully worries Ecuadoreans, who fear that it will interrupt the national normalization process that is necessary to heal old wounds and advance toward the lofty goals to which all citizens aspire.

Since the very essence of the democratic system is dialogue between the government and the people, and since the present government is so absolutely democratic -- not only because it was elected by 1.6 million inhabitants, but also because of the type of actions it has taken and the decisions it has made in 19 months in office -- one can understand why the government, in response to the instruction of President Febres Cordero and through me, has come before you to state the following.

On Tuesday of this week, with the desire to forestall a confrontation among Ecuadoreans, lengthy talks were held between Carlos Pareja, the lawyer who is the president's private secretary , and Lt Gen Vargas, who at the time was at the Manta Air Base. At the end of those complex negotiations, a certain number of points were established -- all of which have been meticulously and carefully complied with by the president and the administration he heads. Indeed, this sheet of paper that I am presenting for your consideration has a number of notes written by President Febres Cordero himself. By virtue of a basic sense of responsibility, the president was carefully following the progress of the negotiations and the talks underway in Manta. Those points of agreement were as noted.

First, it was established that Lt Gen Vargas would go from Manta to Guayaquil. This was done; shortly after 1800 on Tuesday Lt Gen Vargas was in our main port.

The second point was that he would place himself at the disposal of the person who is constitutionally his chief and commander in chief of the Armed Forces, the president of the Republic. This second point was complied with; at the external platform of he Guayaquil Air Base Lt Gen Febres Cordero. The two exchanged the brief, severe phrases required by the occasion and, indeed, by military protocol.

Third, it was agreed that Lt Gen Vargas would come to Quito from Guayaquil accompanied by an honor guard composed of very high-ranking general officers of the Air Force, the Navy, and the Army. This was done, as the entire country knows, on Tuesday evening of this week.

Fourth, it was established that Gen Vargas would go to the Quito Air Base and remain there until there was a hearing on the case, which has to be analyzed from the jurisdictional viewpoint. This was indeed complied with from the moment of his arrival until the episode under discussion occurred.

Fifth, it was decided that the jurisdictional analysis of the case would be carried out by regular military courts, which determine the common penal regulations of the Armed Forces. This must be the case, because we live in a democratic country and no citizen has special privileges, nor can any citizen be deprived of his rights. This has been confirmed by the president. Moreover, this very day, as Lieutenant General Andrade, commanding general of the FAE, was leaving government palace and was approached -- as usual -- by newsmen, who were exercising the absolute freedom of expression and of the press that prevails in our country, he confirmed the same thing.

Indeed, in the talks held in Manta it was decided that FAE officials and air technicians who were implicated in any way in the matter would be exonerated. This has been done, and as far as that is concerned, it will continue to be enforced. More detailed matters were also discussed in the negotiations. For example, as is recorded in the document, it was decided that after a prudent period Gen Vargas would be allowed to spend the night in his home and that his house would be provided with water, electricity, and, naturally, with supplies and food, as well as telephone service.

Proof of the strictness and willingness to fulfill to the utmost all of the points established is the fact that the secretary general of public administration himself was involved in this issue. Even the telephone service that had been interrupted at the general's house was reconnected to facilitate communications.

There is tangible, clearly visible, and irrefutable proof that these were the terms established on Tuesday, and nothing more can be done about this, because all of the terms have been completely and strictly fulfilled. Proof of this can be found in the statements made on Tuesday by Carlos Pareja, private secretary to President Leon Febres Cordero, in the presence of Gen Vargas at Manta Air Force Base. These statements were reiterated by officers and soldiers stationed in Manta. Let us hear the statement:

[Begin Pareja recording] [Words indistinct] officers, we have talked with Gen Vargas Pazzos about the country, about the tranquillity that must prevail throughout the country, about the reestablishment of the order that has been disrupted. Based on this, and without conditions, we talked as friends and have reached an agreement based on the following points:

1. Gen Frank Vargas Pazzos will be taken to Quito, where he will be at the disposal of the highest authority of the Armed Forces. In this case the highest authority is President Leon Febres Cordero, commander in chief of the Armed Forces. Following this, with all the honors and privileges he deserves because of his rank, Gen Vargas Pazzos will be tried by judges as established by military law. To further guarantee the purity of this process, an honor court has been appointed. This honor court is composed of high-ranking generals and will investigate the charges made by Gen Vargas Pazzos. All officers and aerotechnicians will enjoy guarantees. This applies not only to the officers and aerotechnicians at this base but also those at all Air Force bases in the country. These are not conditions, but an agreement we have reached for peace and tranquillity, [words indistinct]. [end recording]

This is irrefutable proof. This is the statement by Carlos Pareja at Manta Air Force base. He made this statement in the presence of Gen Vargas Pazzos, who was accompanied by garrison personnel of the area. We must stress that the hearings on this case will be in the hands of military judges. An honor court was appointed, and it will have a double mission: to accompany Gen Vargas to Quito -- and this was done early on Tuesday evening -- and to supervise the whole process. According to the terms established, it will even be possible for this honor court to hear any new charges that may be made by other individuals. The government is hoping that the final outcome of this matter will be a complete clarification [words indistinct] of the Ecuadoran situation.

The president of the Republic has always made good his word as a person and leader with the utmost rigor. In addition, he has gone beyond what is necessary. For instance, the disagreement between Gen Vargas and the former defense minister, Gen Luis Pineiros, was evident. Gen Pineiros' resignation was not to be discussed during the Tuesday afternoon conversation. Nevertheless, Gen Pineiros, in a demonstration of much sensivity, resigned, and his resignation has been accepted. This action is completely legal, because it has been published in Official Register 394, which deals precisely with Gen Pineiros' resignation. The disagreement between Gen Vargas and Gen Albuja, then Army commander, was also well known. Gen Albuja's availability was not determined in Tuesday's conversations. However, this is a completely legal fact because a decree has been issued designating the new commander in chief of the Army based on Gen Albuja's availability in the very same Official Decree 394.

Moreover, without this also being included on the agenda, today the president ordered the formation of a top-level commission, including several of the most prestigious and distinguished retired general officers of our Armed Forces, to supervise these processes. Not only were the points discussed on Tuesday fulfilled, but the government of its responsibility before the people in an effort to stress its willingness to lead the country to the unity and solidairity of Ecuadoarn family. It is doing all of this because of its willingness to fulfill its responsibility.

This very same responsibility determines that no person, regardless of their importance, is allowed to disrupt peace and order, indispensable requirements for all Ecuadoreans to overcome the crisis and move ahead d namically and enthusiastically toward our development goals. The president himself said this a few days ago. No Ecuadorean, regardless of importance, is worth shedding a single drop of our fellow citizens' blood. This shedding of blood cannot be permitted and will not be permitted. The government has an undeniable commitment before the people and history. This commitment consists of overcoming the most complex, overwhelming, and gigantic problems and, with a formidable impulse, to succeed in having all Ecuadoreans enjoy a worthy and really creative life, thereby fulfilling its commitment to the people who elected it and to all citizens who support it. The facts have shown that the government has not ceased in this effort in the 19 months of its term. It is good to know that it will not cease in this effort a single moment, from now until its pledge to the people and history has been fully completed, Ecuadoran ladies and gentlemen..

Manta Base Backs Vargas

PA140401 Madrid EFE in Spanish 0330 GMT 14 Mar 86

[Text] Quito, 13 Mar (EFE) -- The Eloy Alfaro Air Base in Manta today renewed its support for Frank Vargas, according to information from Manabi Province, where the base is located and where General Vargas was born. The same radio reports indicate that in the city of Portoviejo (Manabi Province) demonstrations "never before seen" are taking place.

Thousands of persons, led by Provincial Prefect Richard Guillen, began a rally in support of Vargas in the main avenue of the city. At the same time, vehicles from Chone, Portoviejo, Manta, and other points of the province are heading for the air base, which at this moment has had its communications cut and is blacked out, as if on a war alert.

Vargas, who rebelled 5 days ago after charging raking Ecuadoran military leaders with corruption, today occupied the Quito air base with the support of the garrison. He had been in detention there since last Tuesday pending military trial.

State of Emergency Declared

PA140552 Quito Radio Quito in Spanish 0507 GMT 14 Mar 86

[Text] We are reporting from the Press Room at the Presidency of the Republic. A few minutes ago the president of the Republic, Leon Febres Cordero Ribadeneyra, decreed the following:

Article 1. We declare a state of national emergency.

Article 2. The territories comprising Pichincha and Manabi Provinces are declared security zones, subject to the law.

Article 3. Constitutional guarantees are suspended in the jurisdiction of Pichincha and Manabi Provinces, with the exception of the rights to the inviolability of life and personal integrity. However, no Ecuadorean will be (?expelled) or confined outside the provincial capitals. [passage indistinct]

Article 4. Prior censorship is established throughout the territory of the Republic social communications media attempting to disrupt order.

I will repeat Article 4 in order to prevent misinterpretations. Prior censorship is established throughout the territory of the Republic in social communications media attempting to disrupt order.

Article 5. The Armed Forces will comply with the provisions of Articles 40 and 58 of the National Security Law.

Article 5. The Court of Constitutional Guarantees will be notified, as the National Congress is not currently meeting.

Article 7. This decree will be effective on this date, and the ministers of government and national defense will be responsible for its implementation.

Issued at the National Palace in Quito on 13 March 1986.

Signed: Leon Febres Cordero Ribadeneyra, Constitutional President of the Republic;

Luis Robles Plaza, Minister of Government and Justice;

Colonel Division General Jorge Azanza, acting Defense Minister.

I have just read Decree 16-86, which has just been signed by the president of the Republic.

In addition, Education Minister Camilo Gallegos Dominguez has suspended classes throughout the country beginning tomorrow. This was a report directly from the Press Room at the Presidency of the Republic.

Chamber Forms Mediating Group

PA140747 Quito Radio Quito in Spanish 0518 GMT 14 Mar 86

[Official communique issued by Abberoes Bucaram, president of the National Chamber of Representatives, on 13 March; read by unidentified speaker at the Press Room at the Legislative Palace -- live]

[Text] Aberroes Bucaram, president of the honorable National Chamber, urgently convoked all of the honorable deputies of the Ecuadoran parliament tonight in order to reinstall immediately the permanent General Commission that had been installed on Friday, 7 March, in the face of the crisis of a military nature already known to the public.

The president of the Chamber, with a considerable number of deputies, is currently and permanently meeting at the Legislative Palace, analyzing the grave problem confronting the country in order to adopt decisions aimed at strengthening and preserving the democratic system.

The president of the Ecuadoran parliament has just appointed a new mediating commission, made up of Honorable Deputies Aberroes Bucaram, who will preside over it, Leonidas Plaza Verduga, Francisco Mejia Villa, Raul Baca Carbo, and (Roberto Dunn Guerreiro), which will meet tonight with Leon Febres Cordero, the president of the Republic, and with Lt Gen Frank Vargas Pazzos, former FAE general commander, and other civilian and military authorities involved in this serious matter, in an attempt to seek an immediate solution to the crisis confronting the country.

President of the Chamber Aberroes Bucaram expressed his deep personal concern, as well as that of the honorable deputies, over the deterioration of the situation, which had been initially resolved.

Radio Station Closed Down

PA140751 Madrid EFE in Spanish 0655 GMT 14 Mar 86

[Excerpts] Quito, 14 Mar (EFE) -- In the enforcement of the decree issued at midnight establishing censorship for those news media that disturb public order, the national government has ordered several radio stations closed down immediately.

Jorge Aguilar, president of the Ecuadoran Association of Radio Broadcasters, AER, has told EFE that his radio station, Radio Sideral, was closed down tonight. A similar measure has also been adopted against the radio stations Radio Tarqui and Radio Exito in Quito. Aguilar added that radio announcer Rafael Guerrero Valenzuela of Quayaquil has been urgently summoned to the office of the governor and that "he could well have been detained. Should this be the case, the AER would take the necessary measures."

After Radio Democracia in Quito broadcast an appeal by Gen Vargas to form a civilian-military government, this station was also closed down, while an interview with Social Democratic Party leader Rodrigo Borja was in progress.

Meanwhile, the state's Radio Nacional has announced that the country's radio stations will form a network "for democracy" early today. President Febres Cordero and all the members of his cabinet are currently at the presidential palace, where they met with a delegation of the national parliament, while the Plaza de la Independencia, near the palace, is cordoned off by the police. Police vehicles are preventing the other vehicles from entering nearby areas.

Officers Urged To Surrender

PA141403 Paris AFP in Spanish 1227 GMT 14 Mar 86

[Text] Quito, 14 Mar (AFP) -- At least four tanks came near the military base held by Lt Gen Frank Vargas Pazzos early this morning, and the insubordinate officers were asked to surrender through loudspeakers. The officers were assured that no reprisals would be taken. The Ecuadoran Army tanks neared the military base at approximately 0500 (1000 GMT).

Early this morning approximately 200 persons were at the base's main gate, including 50 local and foreign reporters, whose access to the base was blocked by three buses.

"Let us defend Ecuador and its democracy, cease your actions, surrender your weapons, and there will be no reprisals or bloodshed among brothers," the armed patrol car announced at various places through a loudspeaker. Later tanks fired eight times into the air, and this created unrest among those present.

Vargas came out at approximately midnight to announce a march toward the Palace of Government to be held between last night and today. He carried a machine gun and ammunition clips in one clenched fist.

Due to the emergency situation, classes have been suspended. Although there was no transportation, people were trying to get to their jobs.

Albuja Asks 'Separation'

PA141439 Quito Domestic Service in Spanish 1300 GMT 14 Mar 86

[Text] In a letter addressed to the president, Division General Manuel Maria Albuja has requested: Through every legal means available to you, please conduct a thorough, impartial, and meticulous investigation to clarify -- with the urgency demanded by the case -- rash accusations made, determine pertinent responsibilities, and punish the culprits in an exemplary manner with the severity permitted by the law in these cases.

In the document, Div Gen Albuja, a paratrooper, notes the rash accusations -- which are publicly known and which have caused unrest and distrust among Ecuadoreans and indignation and confusion among the Armed Forces, particularly among the ground forces -- made against him by Lt Gen Frank Vargas Pazzos and tells the president that Vargas Pazzos is using the media available to him, without stopping to consider the negative consequences of his thoughtless behavior, to stain the honor and dignity of Albuja, who has remained beyond reproach in his position as an Ecuadoran soldier and throughout his military life. He also said that he has kept his honor and dignity as a responsible parent who sets a good example for his children and as an honest and upright citizen who always obeyed, respected, and enforced the laws and regulations that guide our social life.

The note also said that these accusations have been detrimental to the institutional process and attacked the state's security. Therefore, Albuja reiterated his request to the president that a thorough, impartial, and meticulous investigation be conducted in order to clarify, with the urgency demanded by the case, the rash accusations made, determine pertinent responsibilities, and punish the culprits in an exemplary manner with the severity permitted by the law in these cases.

Previously, Albuja had sent a note to the president stressing: In view of the incidents you already know about and in an effort to avoid distortions and speculations [words indistinct] and impartiality of the investigations and the corresponding legal action that must be taken as a result of the irresponsible and rash accusations against me by Vargas Pazzos, I respectfully and voluntarily make my post available and thus request my separation from the post I have been holding.

Albuja thanked the president for his support during the time he was in charge of the Army's General Command and expressed hope that the president's administration makes the best achievements for the welfare and progress of the Ecuadoran people.

Army Seizes Sucre Runway

PA141530 Madrid EFE in Spanish 1506 GMT 14 Mar 86

[Text] Quito, 14 Mar (EFE) -- According to the last available information, the Army has seized three-fourths of the runway of the Mariscal Sucre Military Base. With approximately 15 armored vehicles, supported by light vehicles and infantry troops, the government forces occupied part of the runway following a shootout between troops loyal to rebel General Frank Vargas and the Army, with no reports on possible victims.

Reports from the airport indicate that Vargas' civilian supporters, who had been gathering around the base since last night, blocked the government troops' advance with their presence. In the end, the civilians left the area at the request of the government troops. Sources at the civilian airport, whose installations are located next to the military base, told EFE that traffic is closed and that all flights have been canceled.

COLORADO PARTY WARNS U.S. ENVOY ON 'MEDDLING'

PY101848 Asuncion Domestic Service in Spanish 2330 GMT 9 Mar 86

[From the "Voice of the Colorado Party" program]

[Text] Mr Clyde Taylor is an extremely naive ambassador. The only thing is that his naivete goes a little bit too far because it leads him to maintain contacts with members of the irregular opposition which, as everyone knows, operates outside the laws and the Constitution, violating inalienable legal provisions. At least this is the way we see it in our country and if it is not the way they see it in his country then we are very sorry, it is hardly our fault and maybe not even his fault.

It would seem that he is not aware of all this because he has acted surprised when we accused him of meddling in Paraguayan political affairs that comply with principles and regulations that we Paraguayans respect. Mr Taylor's naivete is his own business but we do not find it funny or even suitable for him to come around here and make problems for us because of this naivete, because our country is currently going through its most significant phase as a free, sovereign, and progressive nation and it is not right for someone of Mr Taylor's standing to be playing into the hands of left-wing politicians well known for operating outside the laws and the Constitution.

If, by any chance, the idea is to encourage something along the lines of what happened in the Philippines then those behind it are far off the mark because Paraguay is ruled by a democratic administration elected by an absolute majority of the Paraguayan people who are prepared to defend under any circumstances this process of peace, progress, and freedom that Paraguay has been enjoying, a process that all good Paraguayans are helping to consolidate.

Those who are on the side of the law, operate within the law and are prepared to defend the law. To go against the law is treason and the members of this minute, splintered and aggressive irregular opposition are guilty of this crime. Thus, it is unfortunate that Mr Taylor, in all of his naivete, is becoming an accomplice of these criminals, by naively attending their gatherings and letting them come, at his invitation of course, to his embassy. They do not display the same innocence but rather the shamelessness of those who know that they can deceive a naive and easy-going Yankee. At least that is what the irregulars believe, as if we Colorados were not smart enough to fathom their shenanigans and as if this were the first time that they are trying to make an unwary ambassador the scapegoat, since by meddling in our domestic affairs he cannot avoid being accused of being a busybody even if he appears to be doing so in utmost innocence, as Mr Taylor's case seems to be.

Let us hope that his naivete is not the same as that of one of his countrymen, the ill-remembered Ambassador White who went so far as to take his own wife to tea at the house of the communist Domingo "Scarecrow" Laino, or of the latest U.S. representative we had who lied while boasting of splitting the Colorado Party as the utmost accomplishment of his tour of duty. If this is not the case, then Mr Taylor would do well to think about what he is doing and display more respect for the laws that govern political affairs in our country.

For the time being he seems to be merely naive, but there is a limit even to naiveness because one cannot be naive to the point of getting friendly with the worst people there are in this country because in this case one could be only one of two things: either an unprecedented naif or an accomplice of the subversive communist conspiracy that is threatening to destabilize all the democratic governments of this continent.

In an earlier commentary we had already explained that meddling means interfering with the affairs of other people, that is, sticking one's nose in matters that are none of one's concern and one's advice is not needed. It is tantamount to going to a neighbor's house without being invited and beginning to move around the furniture and the pictures hanging on the walls, and in general, doing things that one has not been invited to do.

Usually protected by some immunity and generally on a mission of peace and fraternity on behalf of their governments, the first thing this kind of meddlers do when they get somewhere is to stick their noses into local politics and take the side of certain opposition minority groups that in our case are operating outside the law, decency, and respect.

This kind of interference has no place in our country and this is so because our Constitution and our laws prohibit it, just as it is prohibited by international principles and regulations, which must be respected because every country has its own principles that are not always similar to those of other countries as is the case of Paraguayan and U.S. principles.

If Mr Taylor is really naive, he should spend some more thought on these things that are very important for maintaining good relations between our two fraternal nations. This is all the Paraguayan people and government expect of him so that his diplomatic actions do not follow the muddy and dangerous trail along which political adventurers who traffic with hate and lies are sloshing.

GOVERNMENT TO CONTROL PRICES OF STAPLES

PY082125 Asuncion EL DIARIO in Spanish 8 Mar p 11

[Text] All offices of government delegates and municipalities were ordered to control the prices of staples throughout the country according to a resolution released this afternoon by the Industry and Commerce Ministry and signed by its Minister Delfin Ugarte Centurion.

The resolution seeks to: "Prevent pricing distortions, fight speculation, and ensure a fluid supply to essential products to the population at normal prices."

The resolution has seven articles, one of which authorizes the offices of government delegates and municipalities to sanction those who violate the price control. The measure "is aimed at protecting consumers from unfair commerce practices, but it is pointed out that this measure is of an exceptional nature since it will last only until the current price situation returns to normal."

GARCIA DEPARTS FOR ARGENTINA ON 3-DAY VISIT

PY141125 Paris AFP in Spanish 1015 GMT 14 Mar 86

[Text] Lima, 14 Mar (AFP) -- In response to an invitation from President Raul Alfonsin, Peruvian President Alan Garcia today left for Buenos Aires at 0430 (0830 GMT) on an official 3-day visit to Argentina. Garcia, who will sign a joint statement with Alfonsin after reviewing the foreign debt issue, a freeze on the arms race, the [Latin American] integration issue, and several economic and trade cooperation agreements, departed aboard the presidential airplane from the military base next to Jorge Chavez Airport in Lima. Garcia is accompanied by his wife, Pilar Nores de Garcia, who is an Argentine citizen, Foreign Minister Allan Wagner Tizon, congressmen from various political blocks, and high-ranking military officers.

TERRORISTS BLACK OUT LIMA, OTHER CITIES

PY141122 Paris AFP in Spanish 0409 GMT 14 Mar 86

[Text] Lima, 13 Mar (AFP) -- Tonight, on the eve of President Alan Garcia's trip to Argentina for an official 3-day visit, terrorists blacked out this capital of 6 million people as well as several other cities.

The power outage began at 2220 local time (0220 GMT 14 March). It apparently was caused by the bombing of the Huinco power plant, some 60 km east of Lima, according to information obtained in the Chosica winter resort.

Police sources have reported, meanwhile, that a Civil Guard booth was bombed in the highly populated San Cosme neighborhood and that reports on other dynamite attacks throughout the city were being investigated. The same sources also indicated that further details about the case of the sudden power outage were not available.

The Peruvian chief executive plans to depart for Buenos Aires at 0500 local time (0900 GMT) on 14 March. Thus, political circles have been speculating that the terrorists caused the outage in order to mar Garcia's official trip to Argentina. The power company merely explained that the outage was caused by yet unknown problems at one of the three hydroelectric power stations that supply Lima, several cities on the northern coast, and the southern city of Ica. Power company sources refused to confirm the report that Shining Path terrorists had blown up several high-voltage pylons. The fire department confirmed that a fire was put out in a downtown store and that dozens of people were taken out of elevators paralyzed by the power outage in several high-rise buildings. Armored vehicles full of soldiers, patrol cars, and hundreds of policemen were immediately deployed throughout Lima, checking vehicles and suspects.

Since 10 February, Lima has been living under a state of emergency suspension of constitutional rights and a curfew between 0100 and 0500 local time (0400 and 0900 GMT). President Alan Garcia's administration levied these exeptional restrictions to curb the terrorist onslaught of the Shining Path, which so far this year has claimed 173 lives.

Unleash 'Fierce' Attacks

PY131537 Buenos Aires TELAM in Spanish 1854 GMT 12 Mar 86

[Text] Lima, 12 Mar (TELAM-ANSA) -- Seeking to expand its area of influence, the Maoist Shining Path terrorist group recently unleashed a fierce terrorist campaign.

Continuous attacks and harassment of antisubversive forces have been taking place on the Andean plateau and at public offices and portions of the communications network have been destroyed.

Most of the extremist sorties have occurred in Puno and Apurimac Departments. The most serious attack was directed at Ayaviri, Puno, where several public and private establishments were bombed. The attack compelled Ayaviri Mayor Luis Duena Peralta to ask the central government to declare a state of emergency in Puno, thus broadening the provisions implemented earlier to cope with the situation caused by the floods and the overflowing of Lake Titicaca.

Duena Peralta justified his request by reporting that the Agrarian Bank branch, the No 1 and No 5 electric power substations, the city hall, and many private establishments were destroyed. The deputy mayor also reported that the extremists attacked and looted peasant dwellings around the city, and that a powerful bomb seriously damaged the building of the Banco de los Andes in the capital of Puno Department. The La Voz del Altiplano radio station and immigration offices are in this building.

Meanwhile, intelligence services have warned that there could be an upsurge of terrorist actions simultaneous with President Alan Garcia's trip to Argentina in order to besmirch his important meeting with President Raul Alfonsin in Buenos Aires.

The Armed Forces Joint Staff today reported two tragic events. The first of them took place in La Mar Province, in the Andean southeast, where a military detachment killed six terrorists in a shoot-out.

The other unfortunate event involved the death of two women, mothers of families that are participating in the so-called temporary settlement program that President Garcia himself is encouraging.

According to the military spokesman, the victims were traveling in a truck along with other women and the truck driver failed to stop when ordered to do so by the personnel at a military checkpoint. The soldiers then fired their weapons at the truck, and the two mothers were shot to death. This unfortunate event promoted the military command to urge the people to heed military orders to halt for as long as the state of emergency and the curfew are in effect in Lima.

Threaten To Kill Officials

PY131541 Paris AFP in Spanish 1720 GMT 12 Mar 86

[Excerpts] Lima, 12 Mar (AFP) -- The Peruvian Armed Forces Joint Staff today confirmed that six guerrillas, including a woman, died in an attack on an Army detachment while it was crossing a bridge in La Mar Province, Ayacucho Department, 570 km southeast of Lima.

The sources also confirmed that 10 government officials in Quinua District, also in Ayacucho, recently received death threats from the Shining Path, which wants them to resign.

The Civil Guard reported that the local post office received an anonymous message from the Shining Path threatening to kill the mayor, the judge, the provincial governor, a leader of the ruling American Popular Revolutionary Alliance, three municipal officials, two peasant leaders, and the local chief of the Civil Guard, Capt Lorenzo Ibanez.

The anonymous threat called for their resignations and warned that if they fail to do so, they will be executed after a people's trial.

COPEI LEADER SAYS DEBT AGREEMENTS HARMFUL

PA130221 Caracas EL NACIONAL in Spanish 1 Mar 86 p D-1

["Text of television speech by COPEI Secretary General Eduardo Fernandez on 28 February]

[Excerpts] Dear compatriots:

The president of the Republic addressed the nation yesterday to report the signing of agreements for the refinancing of the foreign debt. There are many Venezuelans who disagree with the signing of these documents, which go against the country's interest and the dignity of the Republic, which are harmful and very onerous to the Venezuelan people, which punish the present generation and the next generations of compatriots, and which were not subject to consultatations; such a grave and delicate matter should have been informed about it. As secretary general of the main opposition party, I am informing the country that COPEI was in no way consulted about the extent of these documents, which were signed at the Chase Manhattan Bank in New York yesterday.

I also want to say that the president of the Republic does not have the right to question the patriotism and honest intentions of all the Venezuelans who disagree with this government policy. I want to state that in our case we have always acted thinking of the nation's best interests and we regret that the firmness that the president shows in criticizing those who disagree with his government policy was not used by his government to discuss with foreign bankers and express Venezuela's rights to a more satisfactory solution.

I want to state something that seems very important to me: We feel that these contracts are rash, among other things, because the country does not know yet what the availability of resources in dollars will be to face this situation. We do not know how much we will receive in foreign exchange because the oil market is fluctuating too much, because there is a plot aimed at dropping the oil prices, and, as stated by a very authoritative person, the U.S. President, Mr Reagan, there is a plot aimed at bringing oil producing countries that are OPEC members to their knees. Under these circumstances, we should have linked the payment of Venezuela's foreign debt to the level of our revenues in dollars and not to the existence of international reserves, which are not our savings but those of the Venezuelan people, which we should not have taken to the negotiating table so meekly because it is necessary and indispensable to guarantee the financing of economic and social development programs.

I belong to a new generation of Venezuelans who do not want to continue looking back. It worries us that the government continues to run the country through a rear view mirror. We are running the risk of crashing because the government won't look ahead. We regret that 2 years have been lost in a useless argument about the faults of the past when the country demands that the electoral promises made be kept, that the economy be reactivated, and that something be done for the 500,000 Venezuelans who are jobless, which was the topic of the thorough pastoral letter issued by the Venezuelan bishops. What this country is demanding is not to look back, but if one must look back, it must be done with clarity. We feel that these refinancing agreements, which were signed several days ago and which the president reported to the country yesterday, do not include a contingency clause that truly guarantees the rights of Venezuela.

The state, the nation, and the government have committed themselves to supervision, inspection, vigilance, and certain conditions that guarantee that our economic development will be managed in accordance with the need to pay the foreign debt. However, I maintain, and I am sure that I am interpreting the feelings of a vast majority of Venezuelans, that our country's economic development must be based on the need to resolve the economic and social problems of the Venezuelan nation. In any event, we have never said that we should not honor the foreign debt. We have never advocated arguments aimed at postponing this negotiation indefinitely. We simply believe that the changes made in foreign exchange revenues, interest rates, and the world economic situation were sufficiently grave to make the Venezuelan Government pose the need to go to new negotiations.

We have the problem of the high cost of living, and the government's economic policy of increasingly trying to get the largest number of bolivares from the fewest number of dollars is a policy that is going to result in an inflationary process and a high cost of living that will hurt the largest number of Venezuelans. In addition, we have a problem of an insufficiency of resources. Of every $100 that the nation receives, 60 have to go to pay the foreign debt. In addition, we need 80 to finance imports that are indispensable for the development of our economy and to take care of the social needs of the Venezuelan nation. Consequently, to begin with, we already have a very serious deficit. The government is taking us on the wrong path. Now, the Venezuelan nation has many resources and many capabilities. As I have said many times, we live in a country where it is worth living. The solutions are there. COPEI, within its policy of a great responsibility to the country and within its attitude of placing the country's interest before any party wishes, has a disposition to serve the Venezuelan nation. Its technicians, its professionals, and its teams are there to offer alternatives to reactivate the economy, to make the country move on, to create more jobs, to generate wealth, and, above all, to allow us all to recover the confidence that we can resolve problems and overcome difficulties.

Thank you and good evening.

GOVERNMENT REPLIES TO COPEI STATEMENT ON DEBT

PA111728 Madrid EFE in Spanish 0155 GMT 10 Mar 86

[Text] Caracas, 9 Mar (EFE) -- The Venezuelan Government issued a communique today stating that the country's public foreign debt increased by more than $17 billion during the administration of Christian Democrat Luis Herrera Campins. The local press interpreted the Finance Ministry's report as an official reply to attacks from the opposition COPEI whose spokesmen pointed to the ruling Democratic Action (AD) as the main culprit in Venezuela's foreign indebtness.

The Finance Ministry document points out that there was a total disorganization of public debt information matters during the Herrera Campins administration.

To back up such a claim, it points out that in 1983 the Finance Minister had to contact foreign creditor banks via telex in order to obtain information regarding short- and medium-term debt total figures.

The report also notes that at the end of 1978, which marked the end of the administration of Social Democrat Carlos Andres Perez, the public foreign debt was $7.253 billion.

Such figures contradict statements by COPEI Secretary General Eduardo Fernandez who pointed out that Perez left a debt larger than $21 billion.

The document states: "The public foreign debt at the end of the 1978-1983 5-year period (corresponding to Herrera Campins) totalled $29.176 billion."

The COPEI-government controversy on the issue of foreign indebtedness worsened on 26 February when the chief executive signed a restructuring contract with creditor banks totalling $21 billion, or 94 percent of the public foreign debt.

MINISTER COMMENTS ON STAND AT NEXT OPEC MEETING

PA122228 Caracas Television Service in Spanish 0000 GMT 12 Mar 86

[Excerpts] At the upcoming OPEC meeting to be held in Geneva, Switzerland, Venezuela will reiterate its position on the need to make the price system more flexible in keeping with the development of the market, but with the tacit approval of most organization producers. Here is a report by Carlos Fernandez:

[Begin recording] [Fernandez] That criteria was expressed by Arturo Hernandez Grisanti, Venezuelan energy and mines minister and current president of the OPEC conference. He presented a summary to reporters on the Venezuelan position at that meeting. With reservation, and in keeping with the circumstances, Hernandez Grisanti said that it is necessary to establish a price scheme to prevent competition among organization members that would only worsen existing problems.

If OPEC does not adopt a decision to promote market equilibrium together with other non-OPEC members during the upcoming conference, anarchy will probably set in inexorably. That was the minister's main conclusion.

[Hernandez Grisanti] We will insist that if the organization's goal is to compete for a certain participation in the market, then we must adopt measures to ensure that we will do just that in an organized, organic, and cohesive way; OPEC producers must not contribute to creating an anarchic state in the market because that goes directly against our interests.

[Fernandez] Another complementary element, which is related to Hernandez Grisanti's statement, is that several non-OPEC countries, including Mexico and the Sultanate of Oman, will participate in the Geneva meeting. This is undoubtedly a positive aspect amidst the crisis.

We should not expect an important decision from this OPEC meeting, which will begin on Sunday, 16 March, on a reorganization of the international petroleum market. In this case, we will have to wait for a decision from member countries regarding the establishment of common policies to face the crisis. [end recording]

GOVERNMENT TO NEGOTIATE DEBT WITH 5 COUNTRIES

FL120300 Mexico City NOTIMEX in Spanish 0230 GMT 12 Mar 86

[Excerpt] Mexico City, 11 Mar (NOTIMEX) -- Mexican Finance and Public Credit Secretary Jesus Silva Herzog said today that Mexico will negotiate its foreign debt payments with five more countries so that the payments are adjusted to Mexico's current economic ability.

By telex, the official told finance ministers from Canada, Japan, Germany, France, and England that the Mexican Government will confront its debt problem by negotiation and agreement.

Mexico is confronted with a severe reduction of its income, he added, which requires a new focus that demands creativity, shrewd efforts, and flexibility.

The Mexican secretary said the financial requirements could increase or decrease depending on the future behavior of the international oil market. The country currently will require $6-$7 billion.

FINANCE SECRETARIAT REDUCES PETROLEUM CEILING

PA121729 Mexico City XHDF Television Network in Spanish 0300 GMT 11 Mar 86

[Text] In a document issued tonight, the Finance and Public Credit Secretariat reports that the petroleum ceiling for this year has been reduced to 1.3 million barrels a day at an average price of $15 a barrel. The same document indicates that a new term of 180 days has been obtained for Pemex to pay off trade acceptances for $3 billion.

PRESIDENT DE LA MADRID TOURS TLAXCALA STATE

PA121956 Mexico City XHDF Television Network in Spanish 0300 GMT 12 Mar 86

[Report by Humberto Mares in Tlaxcala]

[Excerpt] President Miguel de la Madrid today said that in the face of our powerful northern neighbor, Mexicans have improved our nationalism and independence. In a political event held during a working tour of Tlaxcala, the president told PRI members in the state that in the face of the challenge of maintaining our identity and our political and economic independence, the workers, peasants, and popular classes have placed the great national values above their personal interests.

[Begin recording] That is why we Mexicans have established a political system that has been constantly concerned with giving strength to the Mexican state because the Mexican state is the way that we organize politically to strengthen ourselves as a sovereign country, to resolve our disagreements through political negotiation, and to oppose any plan aimed at diminishing the nation's independence. [end recording]

The president stated this during a breakfast held by the PRI sectors in the state. He told them that a strong state is not an authoritarian state. It must be a democratic state, he said, expressing congratulations to the PRI for having democratically elected its candidates for municipal presidents in this state.

NATIONAL STRIKE AGAINST LABOR REFORM CONTINUES

Conato Rejects Proposal

PA140250 Panama City Televisora Nacional in Spanish 0115 GMT 14 Mar 86

[Text] Our reporters have confirmed that a few minutes ago the lengthy all-day meeting between the National Council of Organized Workers (Conato) leaders and important national government representatives to seek a way out of the nation's crisis concluded. We have learned that today's meeting began with a thorough analaysis of the general Panamanian situation and the consequences of everything that has occurred in the country in the past few days. After this deep consultation, the government presented the following proposal to Conato:

1. The designation of a higher working commission formed by Conato leaders and advisers and government labor experts and officials fully authorized by the national government.

2. This higher commission would draft a new plan of adjustments to the labor legislation correcting any aspect of the project that has been delivered to the Legislative Assembly and that, according to the workers, harms them.

3. Once this agreement between the government and Conato is defined, this document would also be the draft to be supported in the Legislative Assembly by all of the parties that form the National Democratic Unity, UNADE, an alliance that is part of the current government.

4. This same commission -- expanded -- would continue to work so that Conato and the government can analyze other aspects of the national economy in detail.

5. Only after the signing of the new draft and Conato and the government pledge to make further analyses would the two groups announce to the country the suspension of the current national strike. Efforts would be made to restore things to normal as soon as possible, and the government would make a firm pledge not to foster another labor amendment in the coming years.

We have learned that after discussions and debates on the five-point proposal by the government, the Conato leaders withdrew to a private meeting in which none of the government members participated. After this meeting, Conato returned to the meeting and announced that it categorically and vigorously rejects the new proposal made by the government today, Thursday, 14 March, and insisted that the government immediately withdraw the three drafts already discussed at the legislative assembly. Jose Manuel Meneses, Conato coordinator for this month, asserted that an understanding could be reached once the three drafts are withdrawn from the assembly.

According to the official sector, President Eric Delvalle's entire economic program would be altered if these drafts are withdrawn, and mass dismissals would be necessary at ministries and autonomous institutions as of next Monday.

Finally, this station learned from reliable sources that the national government is determined to continue with its original plans. At 0930 tomorrow the labor code draft amendment will be discussed at a second debate in an urgent, regular meeting.
We have also learned that the government has stated that it has an economic development plan with which it will proceed. In addition, at this very moment various meetings are being held between representatives of political groups, civic organizations, and unions aimed at preventing the national crisis from aggravating even further. These meetings are taking place in homes, local restaurants, and hotels. This station makes a firm appeal to all groups involved in this situation so that peace, calm, and normalcy can be restored as soon as possible.

Forces Occupy Refinery

PA132130 Panama City LA PRENSA in Spanish 13 Mar 86 p 16A

["In a Few Words" column]

[Excerpt] The strike is continuing full steam with the participation of more sectors and the bewilderment of the official sectors. The violent reflex reactions of the Armed Forces are nothing but the paradoxical expression of their impotence. I am talking about such arbitrary actions as the unjustifiable arrest of the refinery union leaders and the brutal intervention in the port of Cristobal where they forcibly dislodged the workers by means of tear gas grenades. The only effect that these demonstrations of brutality will have is to further inflame the striking workers and to strengthen their determination to struggle.

Let us look at what happened at the refinery. The night before last, the following people arrived at the refinery: Major Benitez, chief of the zone [the 2d Military Zone in Colon]; Selhorn and Quintero of the Labor Ministry; Segistan, deputy minister of the Presidency; and legislators Argenida de Barrios, Jose Young, Rigoberto Paredes, Luis Navas, and Hugo Giraud. The latter were received with placards stating: "Those are the ones who sell out the nation." They shouted to Yodigo Rigo [Democratic Revolutionary Party legislator Rigoberto Paredes]: "Fraudulent, corrupt, assassin, get out of here!" Afterward all the official representatives held a meeting with the union leadership. They demanded that the workers deliver to them 30 percent of the normal daily supply of the refinery. The union leadership replied that the workers were on strike, that they were part of the Confederation of Workers of the Republic of Panama, which in turn is a member of the Conato. Therefore, they said that any change in the policy of the union must come directly from Conato. The meeting ended at 0200 without any agreement being reached. The workers who were outside shouted to the legislators that they should reject the anti-national bills. For the record, Argenida de Barrios shouted the following: If the National Democratic Union (UNADE) legislators vote against the three bills, it would be a victory for the opposition which could then reach power.

Meanwhile, 11 trucks of various government institutions arrived to be loaded with fuel, but they all left empty. The following morning, troops of the Panama Defense Forces, FDP, arrived in combat gear at Cuatro Altos. A patrol car (No 15) of the Military Police posted itself at the entrance of the road to the refinery. There was absolute calm. At 1400, the rumor circulated that the gorillas were going to seize the refinery because the meeting held in Panama City with the Conato leaders had failed and they had refused to issue the order to the union affiliate. At 1500, in a commando operation, the gorillas seized the refinery and pursued the workers until they cornered them and held them at gunpoint in the utility section. But since they are so magnanimous, they did not execute the workers. The manager of the plant then intervened in favor of the workers. There was a bitter exchange of words between the workers and the captain who led the operation. Rosendo Rodriguez then arrived to report that union leaders Humberto Blandon and Luis Tamayo had been arrested at the Sabanitas headquarters when they were returning from the meeting in Panama City. He also reported that the strike was continuing and that the position of the union remained firm. The captain then proposed the following to the workers: If you leave the area, in 45 minutes I will order the release of those arrested and they will be brought to the refinery so that the work will be normalized. The strikers left, closed the gates, and raised their banners and placards. The gorillas occupied the plant and began to distribute gasoline with the help of the production supervisors. That is the information that I have, but as I have said, I will continue reporting.

Strike Actions Detailed

PA131355 Panama City STAR AND HERALD in English 13 Mar 86 pp 1, 4

[Text] The National Council of Organized Workers (CONATO) yesterday reiterated -- at the end of a massive march along Central Avenue to Santa Ana Plaza -- their decision to reject a government proposal to reform the Labor Code, and urged workers across the country to stand firmly in the "indenfinite strike" called on Monday.

The march, which began at noon, paralyzed vehicular traffic along the city's main thoroughfare for hours. Commercial establishments along the route were closed, some voluntarily to support the strikers, while others for fear of reprisals.

Meanwhile, President Eric Arturo Delvalle, who seemed to be weathering the labor crisis for the past three days, said that he was in control of the situation, and that "even without the concurrence of the affected parties, the proposed bills on reforms to the labor, industrial and agriculture laws will remain before the National Legislative Assembly for approval. The 48-year-old president, who has been in power for just six months, said the reforms would benefit all areas of the economy and permit the refinancing of the nation's foreign debt.

The labor reforms, which would slash payment for overtime and other pro-worker benefits, were recommended to Panama by the International Monetary Fund and World Bank as part of an economic austerity program.

The capital began its fourth day of general strike today in a tense calm, following sporadic incidents yesterday, which saw small groups of workers snarl traffic during the morning with makeshift barricades, and again in the afternoon with demonstrations.

The strike, which has shut down Panama's sole refinery has already provoked crippling gasoline and cooking gas shortages.

An estimated 60 percent of Panama's industry and manufacturing sector has been partly affected or closed down by the strike. Also closed down for the fourth straight day are offices of the state-controlled National Telecommunications Insitute (INTEL), Institute of Hydraulic and Electrification Resources (IRHE), and National Port Authority.

Humberto Soto, Director of Balboa Port, said however that operations there had been only partly affected. Longshoremen are still available to load or unload cargo from vessels scheduled to dock in Panama, and Panama Canal operations are not threatened by the strike, he said. The Refinery strike has left 90 percent of the gasoline stations in the capital without fuel by Wednesday afternoon, according to a spokesman for the National Association of Gasoline Distributors. The remaining 10 percent were expected to run out by this morning, the spokesman added.

Julio Escorcia, a spokesman for the Refinery Workers Union, told newsmen that the National Defense Forces had requisitioned 15,000 gallons of gasoline from the refinery early Tuesday morning, but liquid gas, used for cooking purposes, were notably absent yesterday in most supply shops and supermarkets.

But a government spokesman is reported as saying Wednesday that the National Defense Forces had moved to take over the refinery. It was not clear whether the nation's armed forces planned to restart operations.

Meanwhile an ANSA news agency dispatch out of Panama said yesterday that Panamanian President Delvalle's administration was on the edge of economic and political collapse, according to several local political observers. Doctors and banana workers have been striking for more than 10 days demanding better salaries and working conditions, while organized labor unions were going into their fourth day of strike with increased supporters, aiming to stop all activities in the country, which could take place within the next two days, if no solution is reached, ANSA said.

Members of the Collective Transportation Union (SICOTRAC), comprising buses and taxis, have not supported the strike. However, they were expected to stop giving service today or tomorrow because of fuel shortage. "It will depend on the government and National Defense Forces to supply the gas, if they are to keep on rolling," said one businessman. The general consensus is that the current situation is a very critical one for the Panama Government. It is the first time in the nation's history that a general and indefinite strike has been called. It is also the first time that private enterprise and labor have joined forces for a common cause against the government.

Despite Labor Minister Jorge F. Lee's sanction of the strike is illegal, almost all business is stopped, including Cristobal and Balboa ports. The massive, blanket strike constitutes the popular rejection of proposed reforms to labor, industrial protection and agropecuary [as published] laws, which Panama must present to World Bank officials by March 30, as a pre-requisite forthe re-financing of Panama's highest foreign debt ever, $3.6 billion.

The strike is seriously affecting the country's economy, according to Panama's Revenue Director, Antonio Richa. And pro-government Legislator Regoberto Paredes, said that the current situation is dangerous for Delvalle's administration. The current president is the fifth in three years to rule his small country, with a population of a little more than 2 million.

Ministers Hold News Conference

PA132226 Panama City CRITICA in Spanish 13 Mar 86 pp 1, 47

[Article by Franklin Castrellon M.]

[Text] Three ministers of state yesterday said that the package of bills amending the Labor Code and creating incentives for industry and agricultural production is part of a government program aimed at activating the country's economic and social development.

At a news conference held at the studios of Channel 2 last night, Labor and Social Welfare Minister Jorge F. Lee, Agricultural Development Minister Bruno Garisto, and Commerce and Industries Minister Jose B. Cardenas explained in detail the bills presented to the Assembly which deal with their respective areas.

Lee, whose amendments to eight articles of the Labor Code have prompted the reaction of the unions, said that the proposed amendments are basically aimed at complying with the state obligation to enforce one of this code, which is protecting the workers and guaranteeing jobs for them.

According to Lee, the amendments promoted by his office as well as the industrial and agricultural incentives are aimed at protecting current jobs and opening many more to meet the demands of the 84,000 unemployed people and the 70,000 underemployed individuals the country has. He said that unemployment is mainly affecting young people and women and noted that approximately 25,000 new youths join the large mass of job seekers every year. Defending the proposed amendments to the code, he said that they do not affect the workers' gains, the labor structure, the system for collective bargaining, or the workers protected by collective agreements. "On the contrary," he added, "they create more jobs to meet the demands of the unemployed and the underemployed and improve the income of workers who are not union members."

He explained that the amendments attack five areas, giving emphasis to an increase in productivity to make companies more productive and improve the competitive capacity of their products, thus allowing consumers to have access to better quality products at a lower cost. In addition, he stressed, they allow the businessman to create productivity rewards or bonuses, advantages that can only be obtained by the workers through collective agreements. Regarding this, he explained that due to the risk run in having rewards or bonuses considered part of the salary, based on legal precedents, managers refuse to include these incentives unless they are clearly spelled out in collective agreements. He said that another amendement presented is that which "encourages employment in small businesses, in the agricultural sector, and in enterprises engaged in export." These enterprises are given conditions so that they can consolidate their positions and expand, he added.

Among the amendments introduced to give incentives to this type of enterprise, he mentioned a 25-percent surcharge to be paid to workers for extra hours and the compulsory nature of having to work extra hours when the employer requests it. In the case of small businesses, the amendments propose the substitution of preventive attachment for the insuring of goods during labor disputes.

Many small businesses have been forced to close when they cannot resist the financial blow of labor disputes followed by attachments. In the proposed system, Lee explained, "we are seeking to preserve the source of employment and to give the necessary conditions to consolidate it and make it expand." Asked about an alleged disadvantage for workers not to have the option of choosing whether they want to work extra hours or not, Lee maintained that it was not a disadvantage because it opened the possibility for additional income and allows businesses to create new shifts of work, thus opening new sources of employment. Asked about the apparent widespread discontent among unions, Lee said that that opposition basically stems from an emotional attitude that leads union leaders to oppose any change to the code.

Finally, he noted that the bill he promotes improved labor justice, allowing the rulings of Conciliation Boards to be reviewed by Labor Courts. In addition, he said that the bill does not affect the payment of the 13th month.

For his part, the minister of agricultural development explained that the project of incentives "favoring production and agricultural exports" will permit a boost in agricultural and cattle development and will improve the working conditions of agricultural workers. According to Garisto, the bill is aimed at improving credit facilities, increasing the use of agricultural and cattle technology, and giving guidance to producers, especially the small- and medium-sized ones. "If this bill becomes law, it will benefit producers and consumers," because the latter will get agricultural products at a lower price.

In turn, Minister Cardenas said that the industry that is basically oriented to exporting will experience significant development if the bill for industrial incentives is approved. He said that the old mechanisms of quotas to protect local industry are no longer applicable because, in certain cases, they only served to increase production costs, which were absorbed by consumers. He said that if Panama does not increase its industrial production, as well as its tourism and services, Panamanian problems will get worse and the refinancing of the debt will become more complicated.

Responding to a question, Cardenas said that the approval of the package of bills presented by him, Lee, and Garisto is not a condition for Panama to gain access to money in the international financial market.

PDC Opposes Bills

PA132257 Panama City LA PRENSA in Spanish 13 Mar 86 p 3

[Text] "Instead of reactivating our economy and promoting national development, these bills [reforming the industrial and agricultural laws and the labor code] worsen the overall crisis in our country. They have not been the object of consultations. They do not respond to the national realities. They subordinate everything to fiscal objectives and they do not establish any new discipline on the part of the public administration to control corruption and contraband and regarding the level of taxation and public service rates."

The preceding statement was issued by the Christian Democratic Party, PDC, in a communique signed by PDC President Ricardo Arias Calderon. It added that the approval of the bills would worsen the living conditions of all Panamanians, especially the poorest families. The PDC expressed its solidarity with workers, industrialists, and farmers in their justified protests against the bills that the official sector is again trying to impose as it tried under the Ardito Barletta administration.

The communique added that the PDC announced that its legislators will oppose the approval of those bills. It also indicated that it is urgent that solutions responding to the basic needs of all national sectors be found and it reaffirmed the PDC's conviction that these solutions can only be found through the path of democratization.

The communique stated that the PDC stresses, "just as it did in its eighth congress, that the Defense Forces, as a military institution, have a grave responsibility in the situation that the country is experiencing. To peacefully retake the path of democratization, the Defense Forces must become the professional institution that the Constitution stipulates. For this reason, they must be ready to seriously discuss and facilitate the profound change that our people demand for democracy and a better life as soon as possible."

DELVALLE ON ECONOMIC PROPOSALS, DOCTORS STRIKE

PA130343 Panama City Domestic Service in Spanish 2233 GMT 12 Mar 86

[Speech by President Eric Arturo Delvalle at the opening of Expocomer 86 at the Atlapa Convention Center on 12 March -- recorded]

[Excerpt] The political situation experienced by the country because of various circumstances calls for a statement from the national government in the hopes of contributing to the reestablishment of the social peace to which all the citizens of our country have a right.

Allow me to make use of this forum to discuss various current developments.

On 16 October 1985 I expressed my utmost respect for all of the Panamanian working class' interests and aspirations to Comato, telling its members that they could be absolutely confident that I was -- with regard to the Labor Code reform -- willing to start at square one. At that time my administration threw out a bill to reform 24 articles and I have submitted to the Legislative Assembly a bill with eight adjustments, the main object of which is to guarantee that more Panamanians will find productive occupations and sources of income for their families.

Some of the adjustments currently under discussion are part of the Labor Code, but they benefit exclusively those who obtained benefits through collective bargaining agreements. It is just that all of the country's workers receive those benefits.

Gentlemen of the industrial sector: As a member of this group and a descendant of one of the pioneers of Panamanian industry who began operating 66 years ago, It is unlikely that I, who today submitted a bill for the consideration of the Legislative Assembly, would threaten the investments of distinguished friends and prompt the closing of companies that offer employment to more than 60,000 heads of household. No, gentlemen, I would never do that.

My bill is designed to accomplish the opposite. It is designed to adequately protect all of the existing national industries. It is designed to protect each of those 60,000 jobs and to allow us to make better use of our existing industrial capacity to export your products, as the treasury absorbs part of those costs and they are made more competitive.

It is really unfortunate to observe that those who assumed the responsibility of helping draft this law are now opposing it because they lack the courage to explain and defend it before the membership. [applause]

With regard to the agricultural sector, we have submitted for the consideration of the honorable legislators a bill to promote and provide incentives for that sector in order to increase our agricultural production. We are also most willing to accept all recommendations that are considered fruitful in strengthening and improving the goals that are pursued.

I also want to address another problem which is producing much tension in the community. A large number of physicians and associations of medical professionals are staging a strike that hurts the humble, because medical attention continues to be offered without interruption at the luxury hospitals. I do not intend nor do I wish to confront the doctors or any of my fellow countrymen.

However, the demands of a few cannot prevail over the needs of many. My highest responsibility as head of state is to ensure that activities be carried out with the harmony that characterizes civilized society. Some have suggested that as a disciplinary measure I retain the payments for services not rendered to the public by those professionals who use that time to demand additional compensation. I have rejected that option. I prefer to establish a payment box in a public place to salvage what is owed for those who demand it in the eyes of God and with the approval of those people to whom they have denied their services.

Thank you very much. [applause]

LEGISLATOR OPPOSES U.S. 'MEDDLING' IN COUNTRY

PA131916 Panama City EL SIGLO in Spanish 13 Mar 86 pp 1, 23

[Article by Elsa Caballero de Pitti]

[Text] In the wake of a report by an international news agency published in the local press in which it is mentioned the "the U.S. Government is concerned with the problems that Panama is facing," honorable Legislator Pedro Brin Martinez vigorously attacked this report saying that it is merely the result of another U.S. intervention in the domestic affairs of our nation.

The legislator also opposed remarks by former U.S. Ambassador Ambler Moss, who according to the news agency said that although there is no immediate crisis in our country, if there is one "it will be very harmful to U.S. interests."

"This is not the first time that this type of information has appeared, on other occasions when the country has had problems, North Americans and bad Panamanians take advantage of the occasion to show a distorted image of our country's situation, openly meddling in our domestic affairs, Brin Martinez said.

The legislator told this reporter that, in his position as president of the Foreign Relations Committee, he will propose the creation of a committee to visit the United States to explain to the U.S. Comgress, once and for all, the truth about Panama's political situation.

In conclusion, Brin Martinez emphasized that the agreements approved by the UN General Assembly were aimed at reducing international tensions and strengthening peace and friendship among the nations and the agreements establishing nonintervention of a state in the domestic or external affairs of another must be respected."

EL SALVADOR

DUARTE MAY GRANT 'SAFE-CONDUCT' TO FMLN LEADERS

PA140503 Paris AFP in Spanish 0328 GMT 14 Mar 86

[Text] San Salvador, 13 Mar (AFP) -- Salvadoran President Jose Napoleon Duarte today seemed willing to allow an FMLN delegation to enter the country to arrange a resumption of talks between his government and the guerrillas.

Speaking to a group of businessmen, Duarte said that if the rebel emissaries request "safe-conduct" they will be allowed to enter El Salvador, just as they did in 1984 for the La Palma and Ayagualo meetings.

Last week Duarte said that the rebel leaders would only be able to enter El Salvador "to pay for their crimes."

"I am willing to make all efforts in the peace struggle, but those who try to use force will find a strong government," Duarte stressed.

In addition, Duarte reiterated today that talks between his government and the FMLN are contingent on the beginning of talks between the Sandinist government and the Nicaraguan rebels.

"If this proposal is accepted, then we will find a path for peace in El Salvador and Nicaragua, said Duarte, adding that "everyone knows there cannot be peace in El Salvador if Nicaragua continues to be a sanctuary for the Salvadoran guerrillas."

FMLN-FDR POSTPONES TRIP TO SAN SALVADOR

PA140441 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 14 Mar 86

[Communique issued by the FMLN-FDR; date and place not given]

[Text] 1. On 7 March we reported that an FDR-FMLN delegation would meet with Msgr Rivera y Damas this week to discuss the operational aspects that would lead to the third dialogue meeting between the government and our fronts.

2. The archbishop has informed us that because of his pastoral duties he will not be in San Salvador this week, and he has asked us to postpone our arrival. Therefore, our delegation will meet with the mediator next week. This will be done as a specific contribution toward the aspirations for peace of the Salvadoran people.

3. Jose Napoleon Duarte's statements to Radio Cadena YSKL made yesterday to the effect that we should turn ourselves over to the police are so absurd that they could hardly be considered as the government's official position because it is incomprehensible that one day the government says that it is willing to renew the dialogue with the FMLN-FDR, and a few days later it threatens the FMLN-FDR representatives with imprisonment.

The serious deterioration of Duarte's government could be the cause for his desperate and contradictory attitude. Despite this, the FMLN-FDR hope that Mr Duarte will officially and seriously state his position with respect to the arrival of our representatives in San Salvador to meet with Msgr Rivera y Damas.

VENCEREMOS COMMENTS ON PHILIP HABIB'S ARRIVAL

PA131856 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 13 Mar 86

[Text] The diplomat Iowa has left the country and the battleship Philip Habib has arrived. Reagan's new firefighter for Central America has arrived to try to quench the fires of liberty in the region. The U.S.S. Philip Habib, Reagan envoy, arrived in El Salvador. He arrives at a dark moment for the entire Yankee policy in Central America and for his puppet Napoleon Duarte.

He finds a worn out Duarte who was unmasked for covering up a North American project to cover up a counterinsurgent plan the genocidal nature of which has already been universally recognized by the OAS and UN human rights commissions and other governments. In international forums, they point to the murders, tortures, and bombings of the civilian population as a permenent component of that plan that Duarte tried to mask as a democracy.

Philip Habib finds an isolated and solitary Duarte with an Army that is incapable of stopping any action that our vanguard decides to carry out. This man is coming to find a country submerged in mobilization, organization, in a sea of guerrillas, and involved in constant activity and expansion rooted in the feeling and aspirations of our people. That is, Philip Habib comes to confirm that the counterinsurgent plan in El Salvador is doomed to failure, that it has no possibility of succeeding.

U.S. plans in Central America are in such a disastrous situation that they are forced to bring in a lifesaving [en pataditas de ahogado] specialist; a specialist in giving the finishing touches at a moment when Reagan has had to retreat.

We recall that this man Philip Habib was sent to the Middle East when Reagan was retreating in defeat from Lebanon carrying 240 dead marines produced by the action of two Lebanese patriots. This new Reagan envoy, Philip Habib, who is an expert in mending difficult situations, had to leave for the Philippines a few days ago to prepare the bed that former dictator Ferdinand Marcos would sleep on in his new residence in the U.S. territory of Hawaii.

Habib now comes to El Salvador to bring new ideas and proposals to Duarte, which Duarte will present as his own amid that constant flow of maneuvers, lies, more millions of dollars, more U.S. advisers, ships off Central American coasts, and pressure on area governments. In sum, it is a long list of useless means that Reagan uses in his desperate attempt to stop the struggle of our peoples.

Those are useless Reagan attempts; he is involved in a desperate race in a world in which the correlation of popular forces is telling the imperialists that puppets like Duarte and Marcos are increasingly more difficult to find in the face of the advance of the peoples in this extraordinary era of revolution.

GUATEMALA

ARMY BLAMES FAR FOR SALVADORAN'S DEATH

PA130447 Guatemala City Radio-Television Guatemala 0400 GMT 11 Mar 86

[Text] The Guatemalan Army reported today that the responsibility for the death of Salvadoran businessman (Ricardo Buez Rodriguez) in Peten last Saturday lies with a group of guerrillas who are members of the Rebel Armed Forces [FAR].

The Army press communique reads: A terrorist group belonging to the FAR is responsible for the death of Salvadoran businessman (Ricardo Buez Rodriguez) on Saturday, 8 March, in the morning at El Naranjo airfield, La Libertad municipality, Peten Department.

From investigations carried out at the site of the attack and information from eye-witnesses, it has been established that (Buez Rodriguez), who was flying a Cessna plane with Salvadoran registry YS 180, had been warned of the danger as his plane was taxiing onto the runway. However, after the had gone some 100 meters and as he was trying to climb, the plane was downed by the subversive group. (Buez Rodriguez') companion was unharmed in this attack, which left the plane out of service on the El Naranjo airfield.

Military troops from La Libertad Detachment immediately began a search operation to locate the terrorists. The results will be reported later.

NICARAGUA

ALLEGED CIA AGENT PRESENTED AT PRESS CONFERENCE

PA131841 Managua Domestic Service in Spanish 1504 GMT 13 Mar 86

[Press conference by Commander Lenin Cerna, director of State Security General Directorate, and alleged CIA spy Reynaldo Aguado Montealegre with unidentified questioners at the Interior Ministry in Managua -- live]

[Excerpts] [Cerna] Interior Minister Tomas Borge Martinez, and the General Directorate of State Security called this press conference to report on and present some evidence we have regarding activities and plans of the U.S. Administration [1-minute break in transmission] blackmail, various kinds of pressure, and commitments were used with this purpose.

On this occasion, we present to the national and international public evidence on such activities carried out by the CIA against our country. This involves the cases of Reynaldo Aguado Montealegre, Interior Ministry official with the rank of sublieutenant, who was recruited by the CIA in Miami during a trip he made to the U.S. in October 1985 and Jose Eduardo Trejos Silva and his wife and accomplice Rosalinda Sosa. Jose Eduardo Silva is also an Interior Ministry official with the rank of sublieutenant.

Throughout the investigation carried out by the Nicaraguan State Security, we found similarities in the CIA work to achieve its objectives:

1. They were recruited abroad and received training and work material and methods.

2. They received large sums of money in dollars in payment for their treason and were also guaranteed a monthly salary.

3. They were trained in the search of information on matters related to their work: chiefs and personnel, structures, protection and control measures of documents inside the Interior Ministry.

4. They received resources to carry out espionage and guidance on those activities through personal contacts with officials accredited with diplomatic rank at the U.S. Embassy, namely (Daley Cecil Johnson), attache until late 1985 of the Economic and Commercial Section, (Stephan Buchison), current embassy first secretary, and (Bonnie Bennett), the vice consul.

Also involved in this operation is CIA official (Ben Wickham) who worked until late 1985, until the last trimester. He was the one who personally approached Reynaldo Aguado Montealegre in Miami to recruit him.

5. All detainees confessed and admitted their involvement in espionage activities against the Sandinist People's revolution. Material [medios] supplied by the CIA were seized from them; we will exhibit them at a later date.

Up to here we have made some observations about these two cases. We will now give you a brief explanation of the case of Trejos Silva. Jose Eduardo Trejos Silva traveled abroad in November 1983 where he was recruited by a CIA official who identified himself as Tom. Trejos Silva returned to the country that same month. (Josefa Morales de Dumas), a U.S. citizen of Nicaraguan origin who was close to Trejos Silva, subsequently gave him instructions to go pick up what was in a hiding place in Managua. These instructions came in a plain mechanical pencil [lapicero] of let us say, special material. The instructions gave the location where he was supposed to pick up something. According to Trejos Silva's statements, this something was a synthetic stone. The CIA frequently uses this means to supply its agents. Inside the stone was money, carbon paper [15-second break in transmission]. On the other occasions, Trejos Silva was supplied in the same way in Managua. On the occasion, it was in the same way as I mentioned. On another occasion, it was in direct contact with U.S. personnel. He was always supplied with resources and money.

In mid-1985, Trejos Silva was detected by the state security. A number of measures were carried out until his arrest was decided. He was arrested on 19 February 1986. During the activities carried out by this agent or by this official recruited by the CIA, he had the cooperation [5-second break in transmission] who participated in and supported the espionage activities of her husband. According to her own statements, she participated in receiving, in listening to the transmissions of the CIA over radio, and in decoding those messages.

Trejos Silva gave to the CIA, among other information, information on the institution to which he belonged, the names of his bosses and companeros, plans against the Nicaraguan Democratic Force [FDN], and courses taken. The CIA also ordered Trejos Silva to look on information on relations of the FSLN and the Salvadoran guerrillas, on FSLN relations with the 19 April Movements [M-19], names of the chiefs of the state security forces, and on measures of security and control of the offices and documents.

As I said, in order to carry out his activities, the CIA supplied him on various occasions with the resources through hideouts in Managua. These include what is known as pads [preceding word in English] or codes for decoding, carbon paper for messages with secret writing, tablets to reveal the secret writing, and money to buy a transistor radio to listen to the transmission of the messages.

He dealt in the country with CIA official (Daley Cecil Johnson), accredited as a diplomat in the U.S. Embassy in the country. As payment for his activities, he was offered residence for himself and his family in the United States. He was given a sum of dollars at the moment of his recruitment and he had a bank account that was opened for that purpose in Miami. At the time of his arrest, it contained or contains $12,000. These are the elements that were found on Trejos Silva. These are the booklets for decoding the messages.

As you can see, well perhaps some of you do not know but others might, due to their experience in the field of reporting, each booklet can be used a certain number of times. He had three of them at the time of his arrest and according to his statements he (?destroyed) others. We found the carbon paper he used for his messages; he used to receive notification in various ways, including deciphered coded messages, and he would answer them using the carbon paper.

At the time of his arrest we found a coded message that he had received over a radio broadcast the day before. We found it at a warehouse built especially for his work. As you can see, and will also see in the other case, for this type of activity the CIA supplies tools and work equipment that allows their agents to do their work and protect the equipment supplied.

We are going to present the officer arrested, Reynaldo Aguado Montealegre, at this press conference; we will allow him to tell you about his activities, but before doing this we want to tell you about his activities, but before doing this we want to reiterate the names and biographical information on the CIA agents who, according to our investigations, participated or are involved in these operations. The first is (Daley Johnson), his complete name is (Daley Cecil Johnson), he was born in Oregon, USA on 6 January 1956. He was the deputy chief of the Economic and Trade Department at the U.S. Embassy from 10 February 1984 to 20 December 1985. In other words for 1 year he did other things besides his trade activity because we have no trade activity [with the United States],

(Benjamin B. Wickham), from Cleveland, born in July 1940, he was deputy secretary at the U.S. Embassy in Managua, he entered our country on 31 October 1983 and left on 20 August 1985. In October 1985 (Wickham) met with Reynaldo Aguado Montealegre in Miami, United States. Prior to this he worked in Iran, Prague, and Georgetown, Guyana.

(Bonnie F. Bennett), born in Florida, entered Nicaragua in November 1985. This information is interesting from the point of view of attaining information on people's movements. During the same month she entered the country, Reynaldo Aguado Montealegre returned. Aguado left in October and returned in November. In November, this Mrs (Bennett) came to Nicaragua and acted as third secretary and deputy counsul.

Photographs of these people can be seen on those panels. The last personality is (Stephen David Murchison), born in Oklahoma on 25 January 1943. His present post is first secretary at the U.S. Embassy in Nicaragua. He also worked in South Korea, Peru, and Mexico. He entered Nicaragua on 22 August 1985 replacing (Ben Wickham).

Among the material seized, in the case of Trejos, we want to show this. In the case of Aguado Montealegre, they delivered something to him in this way: This is a pillow; however, this is a special pillow in which the carbon paper was delivered to him. In it, they delivered tablets with commercial labels -- this is commonly used in the United States to develop secret written documents [words indistinct] to him.

They received these things and instructions on how to use these instruments including the secret written documents, the tablets, carbon paper; and most importantly -- as you can see -- these came inside a mechanical pencil [en una ceba de lapicero]; in a graphite pencil; in several of them. They contained instructions on the main work instrument supplied to them.

You see a [word indistinct] but the difference is that it contains a photographic lens. However, they also delivered six different (?inkwells); that is six more, but with the difference of the added lens.

This permitted him to accustom his coworkers to them; he even gave away several cigars. He kept them at his desk to -- according to his own statement that was clearly stated -- familiarize his coworkers with the main instrument given to him.

In addition, two cameras were given to him. According to our specialists, are capable of taking 50 pcitures each. Perhaps we are not right, because these things are very advanced; (?maybe they have a capacity for 100).

Therefore, they came up with ways to deliver this [changes thought]; notice that there is a reflection. I am trying to open it but I cannot, because it opens toward the opposite side. In this part, he could hide the camera, the instructions, and even the paper and then cover it with the lid. He kept this desk in his house with a matching wicker chair.

These gifts or things are interesting, because we know that they use them in these forms, or other forms not only to hide these things, but for other things, but this is not the right time to talk about that.

Therefore, these were the working instruments that we seized. We will now preesent Reynaldo Aguado.

We are going to present Reynaldo Aguado Montealegre so that he can talk to you about his activities. Afterward he will answer your questions.

[Aguado] My name is Reynaldo Aguado Montealegre. I am 25 years old and a founding officer of the Interior Ministry. My parents are Francisco Jose Aguado Berry and Amileth Montealegre de Aguado. In May 1985, my brother told me via telephone that my mother had been diagnosed as having cancer and that they had given her approximately 15 to 30 days to live.

Two days after my arrival in Miami, my mother was visited by a man whom she introduced to me as William Perez. He looked Latin. I sat down to talk with them. My mother got up to get us some refreshment. He asked me about the situation in Nicaragua. He told me he knew that I was in the Army and that he would like to talk to me. I told him I was surprised by his questions. My mother returned at that moment. As Perez rose to leave, he told me: Reynaldo, the truth is that you were brought to the United States by the U.S. Government; the story that your mother has cancer and is to undergo surgery is absolutely false. This was used to bring you to the United States. Our objective was to get you here. I am a representative of the U.S. Government. As I have already told you, my name is William Perez. We want to talk to you. We are not the only ones that want to talk to you; members of the counterrevolution, the FDN, also wish to talk to you.

I told him that I was not willing to talk to them and that I was going to ask the Mexican Consulate for help immediately because I understood we did not have a consulate in the United States. He told me that this would affect my mother and brothers since they were very interested in having me in Miami. He also told me that not only did my family want me in Miami, but that the FDN had also pressured my family and that my mother would tell me about this. He said that they were sure that later I would think the situation over and that they would call me soon.

He left and I talked to my mother. I asked her what was happening and whether she realized the problem I was getting into. She told me that in April 1985 she went to see a Nicaraguan doctor named Gaston Lacayo. She said she was sick. Talking to the doctor she told him that she was worried because she had a Sandinist son in Nicaragua.

She said that she was living in constant fear because he could be killed in the war. She said that she had not seen me and that she wanted to see me. She wanted me to come to Miami. He [Dr Lacayo] told her not to worry and that I could come to Miami. He told her not to worry because that problem could be resolved; he asked her to be patient. That is all he told her at that time.

About a month later this man, the one called William Perez, went to my mother's home, told her that he was a friend of Dr Gaston Lacayo, and that he was there to discuss with her the possibility of my coming to Miami. She was thrilled and asked him to sit down and talk. He told her that he was not the only one interested in her son coming to Miami, but also other Nicaraguans and members of the counterrevolution. He told her she would know who they were later.

She told me that this bothered her and that he [Perez] told her that he was a representative of the U.S. Government. He also told her that others were interested in this and that they could begin working on my trip to Miami immediately.

Two days after Perez' visit, my mother left her house at approximately 1700. She did not return home to sleep, and we became worried. However, I did notice that my brothers were not as worried as I was. At 0900 the next day, the phone rang and I answered. The caller asked for Reynaldo Aguado. I asked who was calling; the caller said my mother was calling. I told the caller that I was Reynaldo Aguado. I was told that my mother was with them, that she was fine, and that she would be arriving in 45 minutes. The caller said they needed to talk to me the next day and that my mother would give me the address. I told the caller I did not know the area; I was told I could bring my brother Nicolas because he knew Miami very well. When my mother arrived 45 minutes later she gave me the address and said that my brother would take me. She told me not to worry, that nothing had happened to her, and that I should talk to them.

At 1030 the following day we went to a Holiday Inn. William Perez was sitting in the coffee shop. We sat and had a cup of coffee. He told me he had a room and that we would go there to talk. He told me not to worry and that he, my brother, and I would be the only ones there. We went up to the room after we finished our coffee. My brother and I checked to make sure we were alone. Perez then told me that the first think he wanted to do was show me who he was. He took out a black identification card with an embossed seal. The card was issued to William Perez, U.S. State Department official. Perez said that if I wanted more information he could tell me that he was a CIA official. Then, he told me that he was very serious and that they could offer me security if I decide to cooperate with them.

I also want to tell you that we have decided you belong with us more than with the FDN and that you will cooperate with us. We request your cooperation in Nicaragua, not here in Miami. The FDN has already been informed of this. The pressure on your relatives will cease.

During the next interviews -- 10 or 11 times for about 6 hours -- I was connected to a polygraph. The device was connected to the tips of my fingers on both hands and also to my chest -- meaning my heart -- in the form of a chain. The other CIA officials, the technicians and specialists on the Nicaraguan situation, presented me the requirements that I was to fulfill here in Nicaragua and the contacts that I would make. I was required to gather information on war plans by the Interior Ministry, plans against the FDN and not those of ARDE in which they were not interested, the Interior Ministry's regional plans, and the names of the most important members of the State Security Directorate.

Later, one of them introduced himself.

The two of them were CIA technicians and specialists on Nicaragua; they looked Americans. One of them told me his name; it was Kent. I cannot remember the name of the other. The places and contacts that I will mention later were described to me. I was taught to use a secret camera and told it was a new device and that I was to be very careful with it. The camera looked like a common lighter, one of those plastic ones, and was black. I was told the camera cost $25,000, that I was to use it to photograph secret Interior Ministry documents important to the CIA, and that they would describe them to me. They also explained to me the use of carbon paper for the secret messages that I was to mail to Julio Carreno Lainez, Box Lopez de Hoyo 68, 28002, Madrid, Spain. I was told I should be very careful in using these secret messages because they could be discovered if I made one of the mistakes they explained to me when I was taught to use the messages.

Later, I was instructed on my contacts with the CIA official in charge of me. First, I was to be coached by a male CIA official and then by a female official. These contacts would occur at two locations. One of them at Puentes to the right of the street leading from the Cesar Augusto Silva [convention center] to the Rigoberto Lopez Perez school. On the first street to the left, there is a bridge before reaching the university area. That is where my contact with the CIA official would take place. The other contact was to occur at the location named Road. To get to this location, you start at the Faustino Ruiz complex and turn at the traffic light for the Santo Domingo turnoff. Then, I was to turn left on the first street and walk 100 meters to a telephone booth, and then turn left again. My contact was to be at a red monument to a fallen companero. These contacts were to occur at 2000 the third Thursday of each month. I was not to arrive later than 2 minutes after 2000. Two emergency contacts were also set up.

The final interview occurred 1 day prior to my return to Nicaragua. At that time I was given an envelope for my mother containing $25,000. I had to sign a paper with the alias I had been assigned by the CIA -- Ramiro Ramirez. I was told they would deliver $5,500 to my mother monthly. They also told me not to worry any more and that I would realize through my contact and my relatives that their situation had been solved, and that they would not have too many problems.

I arrived in Nicaragua on 10 November. I made the established contacts on the third Thursday, as agreed. During this meeting, I was given two secret cameras and the carbon paper for secret messages that was to be used only for very special reports, as they said. I was given a cushion with a secret compartment to keep the carbon paper. I was given a wicker ashtray to keep the secret cameras. They also gave a memorandum with instruction for the handling of the secret messages. This took place until the day I was captured by State Security companeros.

[Moderator] Dear reporter companeros, in the next few days we will hold a press conference with the individual to whom you have just listened to. You will be able to ask the necessary questions. Now we will begin the time alloted for questions and answers addressed to Commander Lenin Cerna. Let's put the questions in order. There are several previous requests. Let's start with Daniel [not further identified].

[Question indistinct]

[Cerna] We are in the process of completing the procedures related to detainee Reinaldo Aguado. Just as with the other case, this one must be tried by our military authorities as this befits the detained men's military status.

Regarding the diplomatic officials, our government's Foreign Ministry will take the steps it deems proper.

[Question indistinct]

[Cerna] Well, undoubtedly the CIA thought Aguado was in a good position, and he certainly is in a good position. In the same manner, we are personally convinced that this institution, which is known for its manipulation, for its handling of men, had other plans for Aguado [words indistinct] have been used to misinform and discredit the revolution simply by using these kinds of people. We do no yet know exactly what their intentions are, but since we do know how they operate, we can conclude that these government officials were recruited in the same manner as these people, and that they were also included in future CIA plans against the revolution. It is important to mention here how on many occasions they have used individuals who had to leave the country for various reasons in their misinformation campaign, as was the case of [name indistinct] and [name indistinct]. [Passage indistinct] a man who has been working in the Interior Ministry for so long is a man who, manipulated by the powerful publicity means they have, can cause great harm to the revolution. For this reason, we cannot believe that they only wanted to obtain information.

[Question] What specifically is Aguado Montealegre's position in the Interior Ministry?

[Cerna] He is an administrative official in the Interior Ministry.

[Question] What state information did he pass on to the CIA? [words indistinct]

[Cerna] Reynaldo Aguado left the country in October 1985 and returned in November 1985. His first contact was made in January 1986. We found out that he was an agent in late January 1986. [passage indistinct]

[Question] How common or how special is this case? How many similar cases do you think have occurred in the past? How broad is the CIA's presence in Nicaragua, especially at the U.S. Embassy? Can you expand on the contacts between Baldison and the CIA prior to his departure from the country?

[Cerna] What we can tell you is that we are aware of the recruiting activities and the intensity of this activity by the CIA against state officials. We really do not have that many cases; however, we cannot reject the possibility that Baldison did have previous contacts with the CIA. We cannot reject this possibility and that is why we have a system aimed at preventing such situations because we know how they are being used. Therefore, this is what we can tell you. We know how strong the activity is, aside from those cases which we have mentioned in the past, and we are on the alert for them.

Note Sent to U.S. Embassy

PA140003 Panama City ACAN in Spanish 2342 GMT 13 Mar 86

[All names as received]

[Text] Managua, 12 Mar [date as received] (ACAN-EFE) -- The Nicaraguan Foreign Ministry has sent an informative note to the United States about the alleged participation of U.S. diplomats in espionage operation operations.

A Nicaraguan Foreign Ministry spokesman released to press today the informative note sent to the embassy prior to the report today by Lenin Cerna, chief of security.

The note does not demand the expulsion of the four U.S. Embassy diplomats who reportedly recruited two former Sandinist military men to transfer confidential information from the security agencies.

The Foreign Ministry communique only reports on the embassy officials' activities.

The chief of the security office has accused two U.S. officials, First Secretary Stephan David Murchinson and Deputy Consul Bonnie Sue Bennet, of recruiting Sandinist soldiers to spy on that government.

Murchinson and Sue Bennett currently hold diplomatic office and are in Nicaragua. Meanwhile, the other two diplomats accused of being "agents of the Central Intelligence Agency" are Second Commercial Secretary Brayle Cecil Johnson, and Second Secretary Benjamin Wickham.

A spokesman for the U.S. diplomatic mission in Managua refused to comment on the Sandinist charge and limited himself to saying that "as a rule, the embassy does not discuss charges made against its diplomats."

TINOCO REMARKS ON SIGNING CONTADORA DOCUMENT

PA130228 Hamburg DPA in Spanish 0124 GMT 13 Mar 86

[Text] San Jose, 12 Mar (DPA) -- The Nicaragua deputy foreign minister, Victor Hugo Tinoco, has declared that "Nicaragua will announce to the world that it is willing to sign the Contadora Group's document on pacification and cooperation in Central America if compliance with the eight points of the Caraballeda declaration is guaranteed."

Tinoco said that "once those eight points are complied with, we will have no objection to signing the pacification document, but not before, as it would be suicidial for Nicaragua."

Tinoco, who heads the Nicaraguan delegation to a meeting with a Costa Rican delegation and the four Contadora Group deputy foreign ministers, added that "my country seeks peace. It wants peace, but for that it is necessary for the United States to comply with the Caraballeda declaration." Tinoco declared that "there will be no signing until true compliance with the eight points of the Caraballeda declaration is assured, as they express the genuine spirit that inspires the Contadora Group."

FMLN DENIES REPORTS ON CEASE-FIRE PROPOSAL

PA120420 Managua Domestic Service in Spanish 0310 GMT 12 Mar 86

[Text] San Salvador -- The Salvadoran guerrillas denied reports today on an alleged proposal for a cease-fire that would last indefinitely, supposedly presented by the guerrilla leaders to the government of Jose Napoleon Duarte as the first step to put an end to the civil war.

FMLN spokesmen and those of the guerrillas' political committee added that the date for the arrival in El Salvador of a special commission which is to propose to the government the resumption of the peace talks begun in 1984 is still uncertain.

PCD APPROVES PARTICIPATION IN OPEN MEETINGS

PA112242 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 10 Mar 86

[Excerpts] In a heated and bitter meeting, the plenum of the Democratic Conservative Party [PCD] has voted to participate in the open town meetings [cabildos abiertos], but has conditioned its participation on the inclusion of 13 different topics in Nicaragua's constitution.

The invocation to God in the preamble of the constitution, the apolitical status of the Army, and the right of parliament to approve the national budget are 3 of the 13 points raised by the PCD as conditions to participate in the open town meetings.

[Begin recording] [First unidentified speaker] If we attend the open town meetings -- and I wish to stress this -- we will deprive the PCD of the lever to force the FSLN to enter into negotiations on the 13 points for democratization of the constitution.

[Second unidentified speaker, in progress] ...that those gentlemen will assume on television...

[First speaker, interrupting] Yes. As we said, they are going to present us as little fish moving our lips, and then they will say whatever they wish. This is the way the Sandinist television system operates. Therefore, it is not true that we will be able to transmit our thoughts to the people, either. [words indistinct] [end recording]

This position was rejected by conservative Gustavo Mendoza:

[Begin recording] This party is under the obligation to fulfill [its duty] to this people and this constitution must be democratic and eminently Nicaraguan, and not from the communist countries. [end recording]

PCD President Rafael Cordova Rivas noted the following:

[Begin recording] This matter of resigning is a very comfortable position. It means going home, reading LA PRENSA in the evening [words indistinct] reading BARRICADA in the morning and nonchalantly filling out one's chest with political opposition. No, political opposition is expressed in those places, in public places, with the masses pursuing you, with the commander who does not understand how things are, [words indistinct], or when overall national plans are made.

Yes, up to a certain extent, I [changes thought] the last words [words indistinct]. It is this people who must make the decision whether or not they (?love). [Words indistinct] Well, it is up to you if you leave it like that. [end recording]

Finally, the PCD plenum decided by 19 yes and 3 no votes to participate in the open meetings to discuss the 7 [as heard] points they seek.

CASTRO SEEN OFF IN MOSCOW BY SHEVARDNADZE

FL131440 Havana Tele-Rebelde Network in Spanish 1202 GMT 13 Mar 86

[Text] Moscow -- When they left the Soviet capital on their return trip to Cuba, Fidel and the persons accompanying him were seen off at Moscow airport by Eduard Shevardnadze, member of the CPSU Politburo and Soviet minister of foreign affairs. Fidel and the Cuban delegation were also seen off at the airport by Boris Yeltsin, candidate member of the Politburo and first secretary of the Moscow party committee, and by various members of the CPSU Central Committee and other Soviet leaders.

Returns Home

FL131340 Havana Tele-Rebelde Network in Spanish 1202 GMT 13 Mar 86

[Text] Commander in Chief Fidel Castro Ruz arrived in Cuba at 0240 this morning after visiting the USSR and the DPRK. Army General Raul Castro Ruz gave Fidel a strong hug at the foot of the ramp of the plane that brought the chief of the revolution back to Cuba.

Other members and alternate members of the Politburo and Secretariat were also present, as were Soviet Ambassador to Cuba Aleksandr Kapto and the military attache of the DPRK Embassy.

Jorge Risquet Valdes and Senen Casas Regueiro, Politburo member and alternate member, respectively, and other members of the Cuban delegation returned to Cuba together with the commander in chief.

Minutes after his arrival, the chief of the revolution posed for photographs with the crew of the airplane that brought him back to Cuba.

RAFAEL RODRIGUEZ DEPARTS MOSCOW FOR SWEDEN

FL140042 Havana Radio Rebelde Network in Spanish 0000 GMT 14 Mar 86

[Text] Shortly before leaving for Sweden, Carlos Rafael Rodriguez met in Moscow with Ivan Arkhipov, first deputy chairman of the Presidium of the USSR Council of Ministers. during the meeting, the topics discussed included economic and trade relations between Cuba and the Soviet Union for the 5-year period 1986-1990.

Funeral Delegation Named

FL132242 Havana Radio Reloj Network in Spanish 1902 GMT 13 Mar 86

[Text] The Cuban delegation that will attend the funeral service for Swedish Prime Minister Olof Palme left today for Stockholm. The delegation is headed by Carlos Rafael Rodriguez, vice president of the Council of State. Also included in the delegation is Lionel Soto, member of the Secretariat of the Central Committee. Cuban Ambassador to Sweden Dennys Guzman will meet the delegation in Stockholm.

At Sheremetyevo Airport in Moscow, the Cuban delegation that will attend Palme's funeral was accompanied to the airport by Yuriy Marchuk, deputy chairman of the Presidium of the USSR Council of Ministers, and other high officials. Also present at the airport and representing the Swedish Embassy in Moscow were Christer (Brinhau), first secretary of the Swedish Embassy, and Luis Felipe Vazquez, Cuban ambassador to the USSR.

Arrives in Stockholm

FL140032 Havana Radio Rebelde Network in Spanish 0000 GMT 14 Mar 86

[Text] Politburo member Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, arrived in Stockholm today. Rafael Rodriguez is heading the official Cuban delegation that will attend the funeral service for Swedish Prime Minister Olof Palme. The Cuban vice president and Lionel Soto, secretary of the Central Committee and of the delegation, were met at the Stockholm airport by Culture Minister Bengt Goransson. The funeral service will be held 15 March.

U.S. RESPONSE TO GORBACHEV TEST BAN PROPOSAL NOTED

FL140202 Havana Television Service in Spanish 0100 GMT 14 Mar 86

[Text] White House spokesman Larry Speakes has said in reference [to Mikhail Gorbachev's proposal for a moratorium on nuclear testing]: Our position has not changed. Nuclear weapons will continue to be an important element of dissuasion in the foreseeable future. It will be necessary for us and our allies to conduct tests in the future.

This is how the Reagan administration responds to the USSR's peace proposal. The Yankees refuse to reduce their arsenals and war-like testing because they are intent on destroying life on our planet.